

PUBLIC MEMORANDUM ON
COMPETITIVE CONSIDERATIONS AND
STATISTICAL ANNEX

APPLICATION

to the

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

by

HUNTINGTON BANCSHARES, INC.

**for prior approval
to merge with**

TCF FINANCIAL CORP.

**pursuant to Sections 3(a)(3) and 3(a)(5)
of the Bank Holding Company Act
and
Section 225.15 of Regulation Y**

January 11, 2021

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COMPETITIVE CONSIDERATIONS AND
STATISTICAL ANNEX**

HUNTINGTON BANCSHARES, INC.

JANUARY 11, 2021

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PUBLIC MEMORANDUM ON COMPETITIVE CONSIDERATIONS

Section 3 of the Bank Holding Company Act (“BHC Act”) would prohibit the Board of Governors of the Federal Reserve System (the “Board”) from approving the proposed transaction if it would substantially lessen competition in any banking market, unless the agency determines that the anticompetitive effects of the proposed merger or acquisition are clearly outweighed by the probable effect of the transaction in meeting the convenience and needs of the communities to be served and thus is in the public interest.¹

In evaluating the competitive effects of a proposed merger or acquisition, the Board and the Antitrust Division of the Department of Justice (“DOJ”), pursuant to the Clayton Act, as amended, consider all the facts in the record. In particular, the Board considers the number and strength of competitors that would remain in the banking markets, the relative shares of total deposits in insured depository institutions in the banking markets that the acquirer would control as a result of the transaction, the concentration levels of market deposits and the increase in these levels as measured by the Herfindahl-Hirschman Index (the “HHI”) under the DOJ Bank Merger Competitive Review guidelines (“DOJ Bank Merger Guidelines”), small business lending concentration levels, and other characteristics of each market.

Huntington Bancshares, Inc. (“Huntington”) and TCF Financial Corp. (“TCF”) have overlapping branches in 20 banking markets in Illinois, Indiana, Michigan, and Ohio as defined by the Federal Reserve Banks of Chicago and Cleveland. In 12 banking

¹ 12 U.S.C. § 1842(c)(1).

markets, the proposed transaction between Huntington and TCF would be consistent with Board precedent and below the safe harbor thresholds of the DOJ Bank Merger Guidelines.²

Banking Market	Board Assumptions: Thrifts Weighted 50%		
	Change in HHI	Post-merger HHI	Post-merger Share
Chicago, IL	2	1,027	2.1
Elkhart/Niles/South Bend, IN	3	1,612	2.5
Alma, MI	88	3,002	14.2
Calhoun County, MI	109	1,803	32.1
Coldwater, MI	28	3,083	9.0
Detroit, MI	62	1,589	11.2
Grand Rapids, MI	217	1,218	21.0
Kalamazoo-Battle Creek, MI	52	1,310	12.3
Petoskey, MI	308	1,537	24.9
Akron, OH	25	1,694	32.7
Cleveland, OH	19	1,727	14.0
Youngstown-Warren, OH	355	1,763	32.0

In the remaining eight banking markets—Alpena, Bay City-Saginaw, Cadillac, Gaylord, Gladwin-Midland, Ludington, Roscommon, and Traverse City, all in Michigan—the proposed merger exceeds safe harbor levels under the DOJ Bank Merger Guidelines and thus, requires a more thorough examination of the relevant competitive factors to evaluate the proposed merger’s competitive effects.

Huntington and TCF are proposing significant divestitures in four banking markets totaling approximately \$375 million in TCF deposits.³ Taken together with other mitigating factors in these banking markets, the proposed divestitures ensure that the

² As discussed below, if a transaction has either a change in HHI of less than 200 or a post-merger HHI of less than 1,800, and a post-merger market share of less than 35%, it is generally considered “safe harbor.” This table uses baseline assumptions where all thrifts are weighted 50% and all banks are weighted 100% consistent with how the data are presented in CASSIDI. Arguments could be made to weight some thrifts 100% or to include credit unions, but have not been presented given a baseline meeting the 1,800/200 guidelines.

³ As is customary, the parties intend to perform a “householding” exercise to ensure that divested deposits and loans include those retail and small-business customers with a strong nexus to the divested branches, thereby ensuring a smooth transition of accounts to the divestiture buyer or buyers. Accordingly, the deposit level ultimately divested may be greater or less than the sum of the last-reported deposit levels at the divested branches.

proposed transaction will present no competitive concerns under the BHC Act or Section 7 of the Clayton Act. Huntington and TCF propose to divest such branches and deposits to one or more depository institutions that the Board and DOJ consider to be competitively suitable purchasers. With regard to the other four banking markets that are not within the safe harbor thresholds of the DOJ Bank Merger Guidelines, the parties contend, and show below, that after a comprehensive analysis of the actual competitive conditions in each banking market – especially after accounting for credit union and local bank competition – no divestitures are warranted.⁴

The analysis in each of the eight banking markets, after accounting for the parties' proposed divestitures in four of such banking markets, is consistent with Board precedent and confirms that the proposed transaction will not substantially lessen competition in any such market. Taking into account the adjustments described below and assuming divestiture to an out-of-market buyer (or buyers), the pre- and post-merger HHIs as measured under the Board's long-standing methodologies illustrate that the proposed transaction poses no harm to competition:

⁴ See the Public Statistical Annex Volume, which includes market share tables for all 20 markets. The definitions of all 20 markets are in Exhibit I. Tabular data for the eight markets identified are set forth in Exhibit II, followed by the remaining 12 markets in Exhibit III.

Banking Market	Board Assumptions; Thrifts Weighted 50%		Including Select Credit Unions		Proposed Divestiture	Post-Divestiture Including Select Credit Unions		
	Change in HHI	Post-Merger HHI	Change in HHI	Post-merger HHI		Change in HHI	Post-merger HHI	Combined Share (%)
Alpena, MI	723	2,945	300	1,523	0	300	1,523	25.9
Bay City-Saginaw, MI	852	2,173	427	1,244	0	427	1,244	29.3
Cadillac, MI	1,910	4,379	1,538	3,564	~\$160 million	114	2,141	37.1
Gaylord, MI	1,060	3,416	538	2,090	~\$75 million	127	1,679	25.7
Gladwin-Midland, MI	537	5,234	252	3,101	~\$100 million	(25)	2,824	45.6
Ludington, MI	207	2,188	150	1,658	0	150	1,658	19.0
Roscommon, MI	1,079	4,690	733	3,346	~\$40 million	237	2,850	38.7
Traverse City, MI	556	1,919	428	1,530	0	428	1,530	29.3

The Board assesses the likely competitive impact of a merger on the cluster of banking services within local geographic markets defined by the Federal Reserve Banks to reflect “commercial and banking realities and must consist of the local area where the banks involved offer their services and where local customers can practically turn for alternatives.”⁵

⁵ North Fork Bancorporation, Inc., 81 Fed. Res. Bull. 734, 736 (1993). In 1970, the Supreme Court determined that the relevant product market for banking is “the cluster of products and services that full-service banks offer that as a matter of trade reality makes commercial banking a distinct line of commerce.” United States v. Phillipsburg National Bank & Trust Co. et al., 399 U.S. 350 (1970). Thus, in a bank merger, the Board reviews the suite of banking products offered by the merging parties within the relevant geographic market that serve both consumers and businesses. On a local level, this would be personal and small business banking and lending products and services.

As a practical matter, regularly reported data are available only for two products at a local level: deposits and branch locations (gathered by the FDIC annually in its Summary of Deposits) and small business loan originations (gathered by the FFIEC annually as part of the Community Reinvestment Act).

Both databases have limitations in that they exclude data from certain local competitors and other financial institutions (such as credit unions) and thus have the potential to overstate the competitive significance of large banks, such as the parties. And because deposits are reported according to “internal record-keeping practices,” there is inconsistency across banks for how national or digital relationships should be housed. For example, online and national accounts tend to be booked in large headquarters branches, even if those

As a “screening test” for competitive considerations, and based on their experience in evaluating bank mergers, the Board and DOJ traditionally conclude that a merger presents no competitive concerns and warrants no further investigation if either (a) the post-merger HHI (computed by summing the squares of deposit-based market shares of all FDIC-reporting firms in Federal Reserve defined markets) is no greater than 1,800 points or (b) the increase in the HHI as a result of the merger is less than 200 points.⁶ If a proposal does not exceed this 1,800/200 screen, it is considered to be within the “safe harbor” level(s).⁷

The Board, as demonstrated in its past orders and reaffirmed in the FAQs published in October 2014, will consider the competitive significance of credit unions. In particular, the Board will weight at 50% of deposits in its market share analysis credit unions that (1) have broad membership eligibility (open to “all, or almost all,” of the market

deposits have no relationship to the local market (as discussed below in more detail). Due to the nature of banking relationships, the traditional remedy for identified competitive issues in a local banking market has been divestiture of selected physical branches and their associated customer deposits adequate to reach the safe harbor threshold or deposit HHI concentrations deemed acceptable after consideration of additional mitigating factors. Perhaps the most important limitation of the traditional data sources is that they omit ever-increasing out-of-market competition facilitated by new technology. These fintech developments are discussed below.

⁶ See, e.g., Bangor Bancorp, MHC, FRB Order 2020-08, n.10 (Oct. 22, 2020). The DOJ also generally follows this 1,800/200 screen as set forth in the Bank Merger Competitive Guidelines.

⁷ The Board generally weights thrift deposits at 50% in calculating the pre-merger HHI, but includes specific thrifts at higher levels of deposits where those institutions are shown to be active with respect to commercial lending. See, e.g., BB&T Corp., FRB Order 2019-16, n.35 (Nov. 19, 2019); First Horizon National Corp., FRB Order 2017-29, nn.23–24 (Oct. 30, 2017); Huntington Bancshares, Inc., FRB Order 2016-13, n.24 (July 29, 2016); KeyCorp, FRB Order 2016-12, nn.23–24 (July 12, 2016); Banner Corp., FRB Order 2015-23, nn.23–24 (Sept. 3, 2015); First Farmers Bank & Trust, FRB Order 2015-06, n.18 (Feb. 17, 2015); Chemical Financial Corp., FRB Order 2014-16 nn.17–18 (Sept. 30, 2014); Old National Bancorp, FRB Order 2014-13, n.20 (July 14, 2014); First Interstate BancSystem, Inc., FRB Order 2014-11, n.11 (June 30, 2014); Midwest Financial Group, 75 Fed. Res. Bull. 386 (1989); National City Corp., 70 Fed. Res. Bull. 743 (1984); see also the FAQs issued by the Board and DOJ on Oct. 9, 2014, Nos. 5 & 17 (“FAQs”), <http://www.federalreserve.gov/bankinforeg/competitive-effects-mergers-acquisitions-faqs.htm>.

In particular, the Board will look to see if the thrift has a commercial lending staff and will also look at the thrift’s ratio of commercial and industrial (“C&I”) loans-to-total assets. See FAQs, No. 17. The DOJ will include at 100% of deposits all thrifts that hold at least 2% of their total assets as C&I loans. There are no thrift institutions in the eight banking markets discussed here.

population), (2) offer a range of consumer banking products, and (3) have branches that are easily accessible to the public, *i.e.*, street-level branches.⁸ “If the credit union has significant commercial lending and has staff available for small business services . . . then its deposits may be eligible for 100 percent weighting,”⁹ and in at least one documented instance, the Board has so weighted credit union deposits, finding that the credit union “closely approximate[d] . . . a commercial bank.”¹⁰

There is no clear definition for a credit union serving “all, or almost all” of the banking market. The analysis presented here conservatively applies an 80% cut-off based entirely on the residency criterion of each credit union’s membership requirements. This methodology necessarily understates each institution’s actual population coverage since it excludes other common criteria for membership (*e.g.*, attending school, working,

⁸ See The Board, Rules Regarding Delegation of Authority (July 3, 2019), <https://www.federalregister.gov/documents/2019/07/03/2019-13970/rules-regarding-delegation-of-authority-delegation-of-authority-to-the-secretary-of-the-board> (modifying “the delegation rules by authorizing the Federal Reserve Banks to approve applications and notices concerning mergers and acquisitions that do not exceed the Board’s delegation criteria for competition after including deposits of qualifying credit unions weighted at 50 percent and deposits of ‘commercially active’ thrift institutions weighted in most cases at 100 percent.”); FAQs, *supra* note 7, No. 18; see also First Citizens BancShares, Inc., FRB Order 2019-17, (Dec. 16, 2019) (giving six credit unions 50% deposit weighting across four markets); BB&T Corp., FRB Order 2019-16, (Nov. 19, 2019) (giving 41 credit unions 50% deposit weighting across 12 markets); Magnolia Banking Corp., FRB Order 2019-15, (Oct. 11, 2019) (giving one credit union 50% deposit weighting in one market); First Interstate Bank, FRB Order 2019-07 (Apr. 2, 2019) (giving one credit union 50% deposit weighting in one market); Arvest Bank Group, Inc., FRB Order 2018-09 (Apr. 2, 2018) (giving one credit union 50% deposit weighting); First Financial Bancorp., FRB Order 2018-07 (Feb. 22, 2018) (giving four credit unions 50% deposit weighting across three markets); Associated Banc-Corp., FRB Order 2018-03 (Jan. 23, 2018) (giving eight credit unions 50% deposit weighting across three markets); BB&T Corp., FRB Order 2015-18 (July 7, 2015) (giving six community credit unions 50% deposit weighting); Merchants & Farmers Bancshares, Inc., FRB Order 2015-17 (June 15, 2015) (giving two active credit unions 50% deposit weighting where each of “these credit unions offers a wide range of consumer banking products, operates street-level branches, and has membership criteria that include a majority of the residents in the Vernon/Beauregard banking market”); Chemical Financial Corp., FRB Order 2015-13 (Apr. 20, 2015) (giving six community credit unions a deposit weighting of 50% where each “institution offers a wide range of consumer banking products, operates street-level branches, and has broad membership criteria that include almost all of the residents in the relevant banking market.”).

⁹ FAQs, *supra* note 7, No. 19.

¹⁰ United Bankshares, Inc., 97 Fed. Res. Bull. No. 4, 19 (June 20, 2011).

worshipping, or volunteering in certain counties, or being family to a member), which, if included, would bring the accessibility share even higher. This methodology also excludes other categories of membership that cannot easily be quantified (*e.g.*, affiliation with or being a family member of someone who is affiliated with a particular employer or organization).¹¹ The Board has previously included credit unions open to an estimated 70% of market residents,¹² and, in a separate instance, when 12% of the market population were current members.¹³ When the above criteria are not explicitly met by a credit union, the Board may also consider the credit union as exerting a competitive influence that “mitigates” in part the potential anticompetitive effects of the merger under review.¹⁴

Michigan credit unions warrant particular consideration as they are unusually strong competitors, whose metrics – asset size, growth, deposit market share, and commercial lending activity – far exceed the averages for credit unions nationwide. Over half of the state’s population belongs to one of Michigan’s 200 plus credit unions, with total

¹¹ As discussed below, several credit unions’ residency criteria fall slightly below 80% coverage. In those cases, we explore the likelihood that other criteria would push the institution over the 80% coverage threshold.

¹² Huntington Bancshares, Inc., FRB Order 2016-13 (July 29, 2016) (Akron, OH – share not specified in the Order, but calculated from population data).

¹³ First Citizens BancShares, Inc., FRB Order 2019-17 (Dec. 16, 2019) (Transylvania County, NC).

¹⁴ Huron Community Bank, FRB Order 2018-02 (Jan. 16, 2018) (“The Board finds that the presence of this credit union increases competition in the Oscoda market. However, because the membership criteria only includes a simple majority rather than essentially the entire market population, the deposits of this credit union are not included in calculating market influence.”); Robertson Holding Co., L.P., FRB Order 2017-36 (Dec. 15, 2017) (“In addition, the Board has considered the competitive influence of two credit unions among the nine depository institutions remaining in the Middlesboro market. These credit unions have broad membership criteria, offer a wide range of consumer banking products and operate street-level branches. Separated by state lines, each of these credit unions serves only a portion of the Middlesboro market. For that reason, the Board does not find that circumstances support including the deposits of these credit unions in its calculations to estimate market influence. Nevertheless, the presence of these viable credit unions, along with the other depository institutions in the Middlesboro market, suggests that Commercial would have limited ability to unilaterally offer less attractive terms to consumers and that these competitors are able to exert competitive pressure on Commercial in the Middlesboro market.”).

membership across the state increasing by 22% since 2013.¹⁵ Credit union membership in Michigan is growing faster than the state's population.¹⁶ Michigan state-chartered credit unions have historically permitted *broader* geographic fields of membership than federal charters.¹⁷ In the eight markets discussed here, 37% of all credit unions have statewide or broader eligibility and another 7% are open to the entire Lower Peninsula of Michigan.

Since 2014, Michigan credit union assets have grown by more than 62%, and loans originated have grown by over 68%.¹⁸ 110 local credit unions have more than \$100 million in assets; and 36 credit unions have more than \$500 million in assets.¹⁹ Michigan credit union commercial loan originations in 2019 grew 17.9% compared to 7.8% for the state's banks.²⁰ Michigan's credit unions hold \$79.1 billion in assets and \$48.8 billion in loans. By comparison, the state's banks hold \$82.4 billion and \$61.9 billion in assets and loans, respectively.²¹

As noted, the metrics for Michigan credit unions also far exceed the U.S. averages. The median assets for Michigan credit unions is 2.5 times larger than the national

¹⁵ See Michigan Credit Union League: Credit Union Impact Fall 2020 Report, 4-6, <https://www.mcul.org/client/MCUL/2020-Fall-CU-Impact-Report/mobile/index.html> (5.6 million credit union members representing 56% of the state population); Credit Union National Association, Mid-Year 2020, CUNA Michigan Membership Benefits Report, https://www.cuna.org/uploadedFiles/Global/About_Credit_Unions/Michigan-MemberBenefitsJ20.pdf (estimating that there are 5.5 million credit union members in Michigan state).

¹⁶ Michigan Credit Union League: Credit Union Impact Fall 2020 Report, at 6. The population of Michigan has grown less than 1% since 2010. See Census QuickFacts, Michigan, <https://www.census.gov/quickfacts/MI> (showing population growth from 2010 to 2019).

¹⁷ In Michigan, 63.4% of credit unions are state-chartered (versus 38.7% nationwide), and that number is growing. See Michigan Credit Union Profile, Second Quarter 2020, at 8. <https://www.mcul.org/files/mcul/1/file/Industry-Resources/Quarterly-Reports/2020/Q2/MichiganProfile-Q22020.pdf>.

¹⁸ See *id.* at 8.

¹⁹ See *id.* at 11.

²⁰ Michigan Credit Union Profile, Second Quarter 2020, at 18.

²¹ See Michigan Credit Union Profile, Second Quarter 2020, at 18.

median for credit unions (\$106.2 million versus \$40.3 million) and in the year ended June 2020, assets and deposits of Michigan credit unions grew 17.8% and 19.5%, respectively, compared to 15.0% and 16.4% for credit unions nationwide.²² In addition, Michigan credit unions are commercially active. 62% of Michigan credit unions offer commercial loans – 1.7 times the national average²³ – and commercial lending by Michigan credit unions grew *faster* than at Michigan banks across the three-year average ending 2019 (16.0% versus 13.6%), before Paycheck Protection Program (“PPP”) was instituted under the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act.²⁴ Further evidencing their commitment to small businesses in Michigan, local credit unions in 2020 were responsible for distributing more than 10,400 PPP loans representing \$600 million in funds for small businesses in the state.²⁵ Notably 10% of the credit union PPP recipients were new members who joined after being turned away from other lenders.²⁶ Those borrowers likely represent a long-term shift of business customers from banks to credit unions.

It should be noted that in order to avoid regulatory capital and member business loan limits, the National Credit Union Administration (“NCUA”) determined that PPP loans should be reported as “Other Unsecured Loans and Lines of Credit” by credit unions²⁷ and thus are not reflected in credit unions’ C&I loan-to-asset ratios (as calculated in

²² Id. at 8.

²³ Id. at 14.

²⁴ See Michigan Credit Union Profile, Year End 2019, 16, <https://www.mcul.org/files/mcul/1/file/Industry-Resources/Quarterly-Reports/2019/MichiganProfile-YearEnd2019.pdf>.

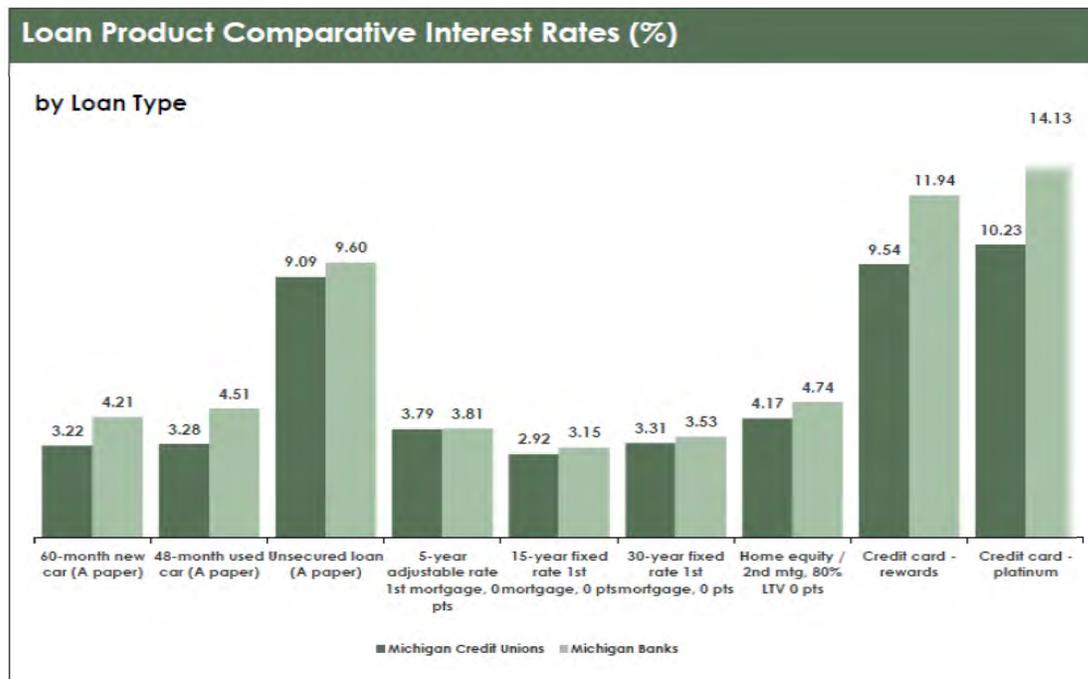
²⁵ Michigan Credit Union League: Credit Union Impact Fall 2020 Report at 10 (noting that 10% of the PPP loans were “new or non-members that turned to a credit union after being turned away by other lenders”).

²⁶ Id.

²⁷ National Credit Union Administration, Regulatory Treatment for Paycheck Protection Program (Apr. 2020), <https://www.ncua.gov/regulation-supervision/letters-credit-unions-other-guidance/regulatory-treatment-paycheck-protection-program-loans>.

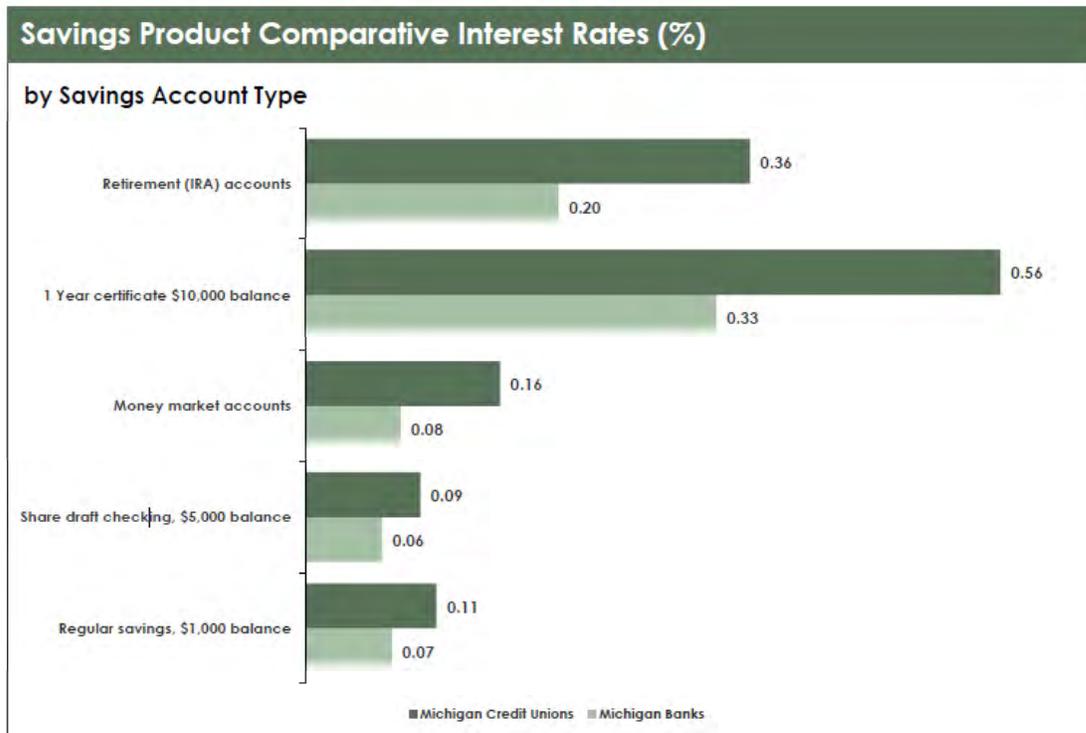
the FAQs). Banks, by contrast, include PPP loans in their C&I totals. As a result of this divergence in reporting practices, the commercial activity of several credit unions in the markets at issue will appear to be understated as compared to banks in 2020.

As demonstrated by the charts below, credit union lending and savings rates are as competitive as, if not better than, local banking institutions – which likely accounts for the increases in credit union memberships, loans, and assets documented above.²⁸ The first chart compares various consumer loan rates offered by Michigan credit unions and banks, respectively. Small business loan interest rates are not generally standardized or published given the varied and multi-faceted nature of each business’s risk profile. Local credit unions, however, are well-positioned to offer competitive or lower commercial rates as evidenced by their competitive retail rates, and indeed may be better positioned to assess a business’s risk profile given their strong ties to the communities in which they operate.



²⁸ Michigan Credit Union League: Credit Union Impact Fall 2020 Report, at 5.

At the same time, Michigan credit unions on average are offering higher rates on savings products than the states' banks.



Michigan credit unions are also members of and have access to a number of credit union service organizations (or CUSOs) that enable their members to offer complex products and services, as well as lending options through risk-sharing and scale economies. CUSOs serve several purposes that support and strengthen participating credit unions. First, CUSOs significantly reduce the risk associated with any given product or loan portfolio by spreading the associated liability or default risk across multiple sister credit unions. CUSOs thus encourage and support participation in certain product markets by credit unions that would not otherwise do so on a standalone basis – either because of regulatory restrictions or the individual credit union’s risk preferences. Second, CUSOs often have significant in-house experience that can be leveraged by participating credit unions to provide better products and services. Many CUSOs offer back office and other support services that would

be inefficient for each credit union to build out individually. This frees up capital for participating credit unions to focus on servicing the end product and customer relationship.

Michigan Business Connection (MBC), for example, is a CUSO which provides loan underwriting and servicing for small- and medium-sized businesses on behalf of credit unions.²⁹ MBC allows credit unions to “provide the highest quality commercial lending programs to their members” with a program tailored to support the needs of each individual credit union.³⁰ MBC can be a full-service member business loan CUSO. However, for credit unions with existing internal business lending departments, MBC provides custom support with product definition, processes, training, and loan participation coordination. As noted throughout each market description, several relevant credit unions are constituent members of similar such CUSOs.

In addition, as indicated throughout this memorandum, many Michigan credit unions are part of the shared ATM and branch networks that significantly expand the reach of otherwise local financial institutions, making them increasingly attractive options for consumers and businesses alike. These networks include:

- CO-OP Financial Services (aka CUSC or Credit Union Service Centers) with almost 30,000 surcharge-free ATMs and 5,600 shared branches nationwide;³¹
- Xtend Shared Branching, a Michigan CUSO with over 250 shared branches nationwide;³²

²⁹ See MBC Loans, <https://www.mbcloans.biz/services-for-credit-unions/>.

³⁰ See MBC Loans, <https://www.mbcloans.biz/services-for-credit-unions/>.

³¹ See Co-Op Financial Services, Co-Op Shared Branches & ATMs, <https://www.co-opfs.org/Shared-Branches-ATMs>.

³² See XTend Credit Union, XTend Shared Branching, <https://www.xtendcu.com/portfolio-item/shared-branching>.

- Jeanie, the first online-shared ATM network with over 7,500 ATMs;³³
- Alliance One with almost 5,000 select-surcharge ATMs;³⁴
- Allpoint with over 55,000 surcharge-free ATMs worldwide;³⁵ and
- MoneyPass with over 32,000 surcharge-free ATMs nationwide.³⁶

The strength, growth and reach of Michigan credit unions should be considered in the Board's analysis of each of the issue markets as it highlights the attractiveness of credit unions generally across wider markets than the presently defined banking markets.

As described below in detail, numerous credit unions in each of the eight banking markets at issue are particularly robust and meet the Board's criteria for 50% weighting. Several are commercially active and should be credited at 100% of deposits (but even if such commercially active credit unions are only credited at 50% of deposits, the relevant issue markets will not present competitive concerns after the transaction and in view of the parties' proposed divestiture). Across the eight issue markets, credit unions hold between 21% and 49% of total market deposits – two to five times the national credit union share of 8.7%. Importantly, small business lending by credit unions is understated as compared to banks. First, as noted above, the \$600 million in PPP loans made by Michigan credit unions in 2020 are not reported in financial reports as C&I loans, thus causing their 2020 C&I ratios to be understated. Second, credit unions do not report small business originations under CRA. Thus, the small business loan origination data referred to

³³ See Jeanie, <https://www.jeanienetwork.com/>.

³⁴ See AllianceOne, <https://www.allianceone.coop/>.

³⁵ See Allpoint, <https://www.allpointnetwork.com/>.

³⁶ See MoneyPass, <https://www.moneypass.com/>.

throughout this memo overstates the parties' and competing banks' share of small business loans. Small business lending concentration would likely be lower and in some cases materially lower if one were able to account for credit union lending.

Another mitigating factor is evidence that small business lending – even with the omission of credit union loans noted above – is less concentrated than deposit shares would otherwise indicate.³⁷ In nearly every overlap banking market discussed, the HHI for small business loan originations in the \$100,000 to \$1 million size range (the size usually of interest to DOJ)³⁸ is less concentrated than the deposit markets, and indeed, in several markets, below safe harbor levels before considering the parties' proposed divestitures. The relatively lower levels of concentration in small business lending evidence the strength of local bank competitors, several of which lead in both deposit market share and small business lending in the markets at issue, and the presence of small business lenders without branch locations in a particular market. As shown below, in each of the markets at issue, local banks are often the dominant small business lenders, with C&I ratios as high as 42%. Many have doubled or tripled (or in one case experienced a six-fold increase in) their C&I loan portfolios in the last few years.³⁹ In many of the issue markets, small business lending data

³⁷ See First Horizon National Corp., FRB Order 2020-01 (Jun. 15, 2020) (identifying that acquirer has relatively small business lending activity, the small business loan HHI would increase less than one point, and that banks without branch locations in the market supply about 42% of the area's small business loans); Equity Bank, FRB Order No. 2019-02 (Jan. 23, 2019) (identifying small business lending share as a mitigating factor).

³⁸ Lending under \$100,000 has plentiful competition and by restricting the market to the \$100,000 to \$1 million range, we are conservatively excluding credit card lending used by businesses for working capital.

³⁹ And as noted, the small business loan data omit lending by credit unions such that the parties' market shares and overall concentration are overstated by the reported data.

also evidence the presence and strength of certain out-of-market banks that do and will continue to constrain small business lending in the market.⁴⁰

The strength of local banks as small business lenders should not be surprising, particularly in smaller markets where these banks have historically played (and continue to play) a significant role in community development and growth. In a recent FDIC small business lending survey, “[m]ajorities of both small and large banks consider[ed] a small bank with \$1 to \$10 billion in assets as one of their top three competitors, and about one-fifth of both sizes of banks consider[ed] such a bank to be their number one competitor,” and a “third of large banks even consider the smallest local banks, those with \$1 billion or less in assets, as a top three competitor for small business lending.”⁴¹ The FDIC Community Banking Survey confirmed that “[d]espite holding only 15 percent of total industry loans in 2019, community banks held 36 percent of the banking industry’s small business loans.”⁴²

A few other trends are worth consideration because they are not factored into the traditional analysis undertaken by the Board and the DOJ or the deposit data on which they rely. First, one of the most dynamic trends in recent years is online banking. “Banking is a rapidly changing industry, and the biggest paradigm shift that has occurred is the move to digital-only banks. Millennials, in particular, are moving more frequently toward digital banking.”⁴³ In response to demand for online-only banking, institutions are creating and

⁴⁰ See First Horizon National Corp., *supra* note 37.

⁴¹ See FDIC, Small Business Lending Survey (2018), <https://www.fdic.gov/bank/historical/sbls/full-survey.pdf>.

⁴² FDIC Community Banking Study, Section VII (December 2020), <https://www.fdic.gov/resources/community-banking/report/2020/2020-cbi-study-full.pdf>.

⁴³ Andrew Meola, How Fintechs and Digital-Only Banks are Innovating the Banking Sector, BUSINESS INSIDER (Jan. 28, 2020), <https://www.businessinsider.com/innovative-banking>. See also Sara Berger, Survey: 3 in 4 Americans Believe Physical Banks are Becoming Obsolete, LENDING TREE: MAGNIFY

expanding their online-only banks. Smaller regional banks are also creating internet-only brands, and online-only institutions are striving to “make branch banking obsolete.”⁴⁴

Consistent with these trends, “[b]anks are expected to become more active in the fintech space, either by launching stand-alone digital banks or through partnerships” with nonbanks.⁴⁵ Indeed, as the Board recently acknowledged in its proposed rulemaking relating

MONEY (Jan. 15, 2020), <https://www.magnifymoney.com/blog/news/bank-branch-survey/> (finding that 84% of Millennials and Gen Zers think physical bank branches are becoming obsolete).

⁴⁴ Nick Clements, *Online Banks Lead the Way in High-Rate Savings Accounts*, CBS NEWS (July 17, 2018), <https://www.cbsnews.com/news/online-banks-lead-the-way-in-high-rate-savings-accounts/>. Separate and apart from the existence of pure-play internet banks is the fact that the financial industry is moving transactions online because customers want to transact their banking activities online. Traditional banks have had to respond to the rapid innovation in mobile banking being driven by these digital startups and others. Checks can be deposited from a mobile device. Payments and billing can be done at home or on mobile devices and almost every bank now offers such services. A 2019 survey conducted by the Federal Reserve Banks found that at least 96% of responding banks with over \$100 million in assets offer mobile banking, 48% of online adults use a smartphone for banking at least once a month, and 83% of bank respondents and 71% of credit union respondents offer or plan to offer mobile banking services to their business customers. That same survey recognized that “FinTechs potentially provide disruptive technology, products and agility.” See Marianne Crowe, et al., Fed. Rsv. Bank of Boston, *Financial Institutions Across the U.S. Participate in the Mobile Landscape Transformation* at 16, 5, 72 (Dec. 23, 2019), <https://www.bostonfed.org/publications/mobile-banking-and-payment-surveys/financial-institutions-across-the-us-participate-in-the-mobile-landscape-transformation.aspx>. Loretta Mester, President and Chief Executive Officer of the Federal Reserve Bank of Cleveland, recently noted that “fintech financial services are moving into the mainstream” and that the digitalization of financial services by “fintech lending and payment firms as well as bigtech firms, including technology, social media, search platform, and e-commerce companies,” has the potential to increase “financial inclusion” in the U.S. and globally. See Loretta J. Mester, Federal Rsv. Bank of Phil., *Fintech, Bigtech, & Financial Inclusion*, Fourth Annual Fintech Conference, <https://www.clevelandfed.org/en/newsroom-and-events/speeches/sp-20201109-fintech-bigtech-and-financial-inclusion.aspx>. A recent survey conducted by the Bank Administration Institute found that 61% of Gen Z and 62% of Millennial consumers would be willing to switch their primary bank account for a better digital experience. See Banking Admin. Inst., *BAI Banking Outlook: Digital Banking and the Customer of Today* (2020), <https://www.bai.org/research/bai-banking-outlook/digital-banking/>. Thus, “[f]or many retail banks, online and mobile channels have become as important – if not more important – than branches and ATMS.” See Val Srinivas & Angus Ross, *Accelerating Digital Transformation in Banking* at 9, 24 DELOITTE REVIEW (Jan. 2019), https://www2.deloitte.com/content/dam/insights/us/articles/DeloitteReview24/DI_DeloitteReview24.pdf.

⁴⁵ Deloitte Center for Financial Services, *2019 Banking and Capital Markets Outlook* at 15 (2018), <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/financial-services/us-fsi-dcfs-2019-banking-cap-markets-outlook.pdf>. The newest evolution in online banking are neobanks – branchless fintechs partnering with chartered banks to offer deposits, credit cards, loans and even brokerage services. See Jeff Kauflin, *Dawn of the Newbank: The Fintechs Trying to Kill the Corner Bank*, FORBES.COM (Nov. 4, 2019), <https://www.forbes.com/sites/jeffkauflin/2019/11/04/dawn-of-the-neobank-the-fintechs-trying-to-kill-the-corner-bank/#2b5e8b7fb0f6> (“Globally, a vast army of neobanks are targeting all sorts of consumer and small-business niches – from Millennial investors to dentists and franchise owners. McKinsey estimates there are 5,000 startups worldwide offering new and traditional financial services, up from 2,000 just three years ago.”). In the first nine months of 2019, venture capitalists invested

to the modernization of CRA, “[b]anks now increasingly deliver financial products and services to consumers through online or mobile banking, which results in broader geographic reach for some banks, especially large banks.”⁴⁶

The Covid-19 pandemic has only accelerated the use of digital banking and these practices are likely to continue well beyond the exigencies of the pandemic. In April 2020, 72% of customers at the four largest U.S. banks used mobile banking apps.⁴⁷ Mobile deposits at Wells Fargo were 81% higher in April 2020 compared to April 2019,⁴⁸ and

\$2.9 billion into neobanks of the \$24.6 billion invested in global fintech business. *See id.* (reporting \$2.9 billion in neobank investment based on a recent CB Insight report); *Global Fintech Report Q3 2019* at 8, CBInsights, <https://www.cbinsights.com/reports/CB-Insights-Fintech-Report-Q3-2019.pdf> (last accessed 10/7/2020). Fintechs are now receiving banking charters, including Varo Bank, a neobank that provides financial services through its mobile app; Square; a mobile payment processor, and LendingClub, which as discussed below, is a peer-to-peer lending company. *See, e.g.*, Emerging Tech Research, *Fintech Q2 2020* at p.5, https://files.pitchbook.com/website/files/pdf/PitchBook_Q2_2020_Emerging_Tech_Research_Fintech.pdf (“Fintech companies have long recognized the advantages of obtaining a federal bank charter, including the ability to directly access payment systems, use stable FDIC-insured funds, operate across state lines and borrow via the Federal Reserve Bank’s (FRB) discount window”); Bryan Moore, et al., *From Fintech to Full Service: How Fintechs Can Enter Everyday Banking*, NOVANTAS.COM (Aug. 15, 2020), <https://www.novantas.com/industry-insight/novantas-review/2020-summer-fintechs-enter-banking> (“Varo Money just became the first fintech to receive a national bank charter.”). Banking as a Service is yet another technological and marketing advancement. This allows “licensed banks [to] integrate their digital banking services directly into the products of other non-bank businesses.” James Bessenbach, *What the Hell is Banking as a Service and What is it Not*, SOLARISBANK BLOG (Oct. 11, 2019), <https://www.solarisbank.com/blog/what-the-hell-is-banking-as-a-service-and-what-is-it-not/>. BBVA was the first bank to offer these services in the United States, and Google is one of the largest companies to enter the collaborative banking service market. Igor Tomych, *Top Six Banking as a Service Providers to Lead the Next Banking Revolution*, FINEXTRA (Jan. 28, 2020), <https://www.finextra.com/blogposting/18379/top-six-banking-as-a-service-providers-to-lead-the-next-banking-revolution> (“BBVA is the first bank in the United States to release a holistic suite of BaaS products and so provide third parties with an opportunity to implement their bold financial ideas, supported by the agile and scalable infrastructure of BBVA.”). Sarah Perez, *Google Signs up Six More Partners for its Digital Banking Platform Coming to Google Pay*, TECHCRUNCH (Aug. 3, 2020), <https://techcrunch.com/2020/08/03/google-signs-up-six-more-partners-for-its-digital-banking-platform-coming-to-google-pay/> (“Much like the mobile banking services offered today by a number of startups, Google will provide the consumer-facing front-end to the digital banking services it makes available, while the accounts themselves will be held by the FDIC-backed partner institutions.”).

⁴⁶ Federal Reserve System: Community Reinvestment Act, Advance notice of proposed rulemaking; request for comment, 85 Fed. Reg. 64,415 (Oct. 19, 2020).

⁴⁷ *See* Richard Burnett, *Digital Banking Soars in the COVID-19 Pandemic*, WELLS FARGO STORIES (May 27, 2020), <https://stories.wf.com/digital-banking-soars-in-the-covid-19-pandemic/>.

⁴⁸ *See id.*

Fidelity National Information Services reported a 200% jump in new mobile banking registrations and an 85% increase in mobile banking traffic.⁴⁹ Indeed, according to a recent Novantas survey report, only 40% of respondents intend to return to branches post-Covid,⁵⁰ and yet another survey found that 80% of Americans “now say they can manage their finances without a physical bank branch.”⁵¹

Second, and relatedly, is the increased prevalence and use of online lending by consumers and small businesses alike. TransUnion, a consumer credit reporting agency, reported that, in 2018, fintechs’ share of personal loan balances reached 38%, up 3% year-over-year, whereas banks’ share declined to 28%, down 2% year-over-year.⁵² One leading peer-to-peer online lender, Lending Club, for example, which started in 2007, reports having lent over \$55 billion in personal and small business loans, serving three million customers.⁵³ And one leading online small business lender, Kabbage, extended over \$9 billion to 220,000

⁴⁹ See Ellen Sheng, Coronavirus Crisis Mobile Banking Surge is a Shift that’s Likely to Stick, CNBC.COM (May 27, 2020), <https://www.cnbc.com/2020/05/27/coronavirus-crisis-mobile-banking-surge-is-a-shift-likely-to-stick.html>.

⁵⁰ See *id.* In addition, the Covid-19 crisis has caused a sharp increase in domestic deposits in the United States from \$12.7 trillion as of June 30, 2019, to \$15.5 trillion as of June 30, 2020. This presumably temporary shift in depositor behavior has the potential to distort a bank’s perceived competitive presence based on this temporary alteration of deposit data. See Hugh Son, U.S. Banks are ‘Swimming in Money’ as Deposits Increase by \$2 Trillion Amid the Coronavirus, CNBC.COM (Jun. 21, 2020), <https://www.cnbc.com/2020/06/21/banks-have-grown-by-2-trillion-in-deposits-since-coronavirus-first-hit.html> (“A record \$2 trillion surge in cash has hit the deposit accounts of U.S. banks since the coronavirus first struck The wall of money flowing into banks has no precedent in history: In April alone, deposits grew by \$865 billion, more than the previous record for an entire year.”).

⁵¹ Gene Teare, Survey Says: Fintech on the Rise During COVID, CRUNCHBASE NEWS (Sept. 15, 2020), <https://news.crunchbase.com/news/survey-says-fintech-on-the-rise-during-covid/>.

⁵² Andy Peters, Banks Fall Further Behind Fintechs in Personal Lending, AM. BANKER (Feb. 21, 2019), <https://www.americanbanker.com/news/banks-fall-further-behind-fintechs-in-personal-lending>.

⁵³ See Press Release, Lending Club, LendingClub Studies Reveal Customers Prioritize Personal Loan Payments Over Credit Cards, Helping Them Progress Toward Financial Health, (Sept. 22, 2020), <https://ir.lendingclub.com/news/news-details/2020/LendingClub-Studies-Reveal-Customers-Prioritize-Personal-Loan-Payments-Over-Credit-Cards-Helping-Them-Progress-Towards-Financial-Health/default.aspx>.

small businesses, including \$3 billion in 2019 alone.⁵⁴ In 2020, Kabbage approved over \$3.5 billion in PPP loans to over 130,000 businesses. Many such applications were to businesses “so small that they don’t have established relationships with banks.” Most all of these applications were received and approved online in an automated system.⁵⁵ Traditional financial institutions have also entered into the fray. Marcus, for example, a recent fintech entrant that is owned by Goldman Sachs, reached \$1 billion in origination volume within eight months of launch.⁵⁶

Surveys conducted by the Board acknowledged this growing trend as “business owners increasingly turn to online lenders for funding. In 2016, some one-in-five credit applicants (21%) sought financing at an online lender, rising to nearly one-in-four (24%) in 2017.”⁵⁷ The Board’s 2020 Small Business Credit Survey found that while banks

⁵⁴ See Hank Tucker, The Future of Small Business Lending: Fintech 50 2020, FORBES.COM (Feb. 12, 2020), <https://www.forbes.com/sites/hanktucker/2020/02/12/the-future-of-small-business-lending-fintech-50-2020/#666893d44f9b>. Kabbage is also the “third-largest PPP lender by application volume,” having approved over \$5.8 billion in small business loans in a three-month period. See Press Release, Kabbage, Kabbage Soars to Over 209,000 Approved Paycheck Protection Program Applications for \$5.8 Billion, (July 1, 2020), <https://newsroom.kabbage.com/news/kabbage-soars-to-over-209000-approved-paycheck-protection-program-applications-for-5-8-billion/>.

⁵⁵ See Emerging Tech Research, Fintech Q2 2020, at 17, https://files.pitchbook.com/website/files/pdf/PitchBook_Q2_2020_Emerging_Tech_Research_Fintech.pdf; Ari Levy, How Kabbage Saved its Small Business Lending Operation in the Middle of the Pandemic, CNBC.COM (Jun. 17, 2020), <https://www.cnbc.com/2020/06/17/kabbage-turned-to-doling-out-ppp-loans-to-save-its-lending-business.html>.

⁵⁶ See Peter Renton, The Fastest Consumer Lenders to \$1 Billion in Originations, LENDACADEMY (June 26, 2017), <https://www.lendacademy.com/consumer-lenders-1-billion-originations/>.

⁵⁷ See Barbara J. Lipman and Ann Marie Wiersch, Browsing to Borrow: ‘Mom & Pop’ Small Business Perspectives on Online Lenders at 3, Bd. of Governors of the Fed. Rsrv. Sys. (June 2018), <https://www.federalreserve.gov/publications/files/2018-small-business-lending.pdf/>.

were still the most common source of external financing (44%), online lenders ranked second, at 20%⁵⁸ – about one-half the volume provided by banks.⁵⁹

The potential reach and scale of these online lenders should not be discounted and yet, today, these alternative sources of funding are neither taken into account in the traditional small business loan data sources nor considered under the traditional approach of using deposits as a proxy for competition in retail or small business lending.⁶⁰ Accordingly, an analysis based on deposits in local markets overstates the shares of market participants and excludes relevant competitors.

The Board has recognized the need to adjust its competitive analysis when deposit data have been shown to be a poor proxy for the parties’ market presence with respect to the provision of other banking services. Indeed, the Board employs bank deposits only “as a proxy for the market share” of the merging parties when those deposits have “*reasonably approximated economic reality* [and] provided a practical and workable basis

⁵⁸ Fed. Rsrv. Bank, 2020 Report on Employer Firms Small Business Credit Survey at 8-9 (2020), <https://www.fedsmallbusiness.org/medialibrary/FedSmallBusiness/files/2020/2020-sbcs-employer-firms-report>; see also *id.* (six percent of small business employer firms used a credit union as a funding source in the last five years and among some business demographics, up to 41% used an online lender).

⁵⁹ As with deposits, business lending has been transformed due to the Covid-19 pandemic. Small- and medium-sized businesses have become more willing to switch banks in search of Paycheck Protection Program loans. This may have a long-term effect on the willingness of businesses to split their relationships across multiple institutions, and in the short run could skew small business lending competitive data for the next few years. See, e.g., Jon Prior, Frustrated by PPP, Many Small Businesses are Ditching Their Banks, AM. BANKER (June 21, 2020), <https://www.americanbanker.com/news/frustrated-by-ppp-many-small-businesses-are-ditching-their-banks>.

⁶⁰ The competitive analysis has, to date, been limited by the available FDIC and CRA data, which do not incorporate these alternative competitors. However, the growing presence and acceptance of online lenders should be considered a material mitigating factor in the Board’s and DOJ’s analysis and evaluation of what concentration levels raise potential competitive concerns.

for competitive assessments.”⁶¹ When deposits do not approximate economic reality, however, adjustments are appropriate.

After giving an appropriate weighting to reflect the competitive presence of the relevant financial institution, the 1,800/200 screen is applied. Importantly, if the 1,800/200 screen is exceeded, that alone does not mean that the merger threatens to substantially lessen competition in a particular relevant market. Rather, in those markets in which the screen is exceeded, further analysis of the quantitative and qualitative characteristics of the market is required to determine whether the proposed transaction is reasonably likely to lead to a substantial lessening of competition. Indeed, in recent years the Board has approved numerous transactions in which deposit market concentration significantly exceeded safe harbor levels.⁶²

In addition to consideration of the above described factors, there are numerous other market-specific qualitative and quantitative mitigating factors demonstrating that the proposed transaction will have less of a competitive impact than the baseline HHI calculations suggest in the eight particular markets at issue. Below, we first discuss those markets in which the parties have proposed divestitures to alleviate any concerns that the

⁶¹ The Bank of New York Co., 74 Fed. Res. Bull. 257, 261 (1988), *aff’d*, Irving Bank Corp. v. Bd. of Governors of the Fed. Res. Sys., 845 F.2d 1035 (2d Cir. 1988) (emphasis added).

⁶² See, e.g., First Horizon National Corp., FRB Order 2020-01 (Jun. 15, 2020) (Marathon Area, FL 386/2,346); First Citizens BancShares, Inc., FRB Order 2019-17 (Dec. 16, 2019) (Cherokee, NC 304/2,237); Magnolia Banking Corp., FRB Order 2019-15 (Oct. 11, 2019) (Hope, AR 762/2,512); Arvest Bank Group, Inc., FRB Order 2018-09 (Apr. 2, 2018) (Harrison, AR 404/1,966); Robertson Holding Company, L.P., FRB Order 2017-36 (Dec. 15, 2017) (Middlesboro Area, KY-TN-VA 571/2,197); First Horizon National Corp., FRB Order 2017-29 (Oct. 30, 2017) (Lawrence County, TN 317/1,988; Greene County, TN 486/1,934); Huntington Bancshares, Inc., FRB Order 2016-13 (July 29, 2016) (Akron, OH 382/1,930); Farmers Bank of Northern Missouri, FRB Order 2015-32 (Nov. 13, 2015) (Harrison County, MI 232/2,814); Banner Corp., FRB Order 2015-23 (Sept. 3, 2015) (Walla Walla, WA 327/2,367); Merchants & Farmers Bankshares, Inc., FRB Order 2015-17 (June 15, 2015) (Vernon/Beauregard Area, LA 389/1,971); First Farmers Bank & Trust, FRB Order 2015-06 (Feb. 17, 2015) (Edgar County, IL 266/2,635); Chemical Financial Corp., FRB Order 2014-16 (Sept. 30, 2014) (Gaylord, MI 403/1,914, Cadillac, MI 329/2,338, Roscommon, MI 261/1,909).

proposed transaction may result in a substantial lessening of competition (Cadillac, Gaylord, Gladwin-Midland, and Roscommon). We then discuss the four markets where the parties believe no divestitures are warranted in view of the discussed mitigating factors (Alpena, Bay City-Saginaw, Ludington, and Traverse City).

Markets Exceeding the Board's Safe Harbor Criteria

1. Cadillac, Michigan Banking Market⁶³

The parties propose to divest branches holding approximately \$160 million in deposits in the Cadillac market. The proposed divestiture represents more than half of TCF's market deposits and nearly approximates Huntington's market deposits, such that the proposed transaction will not significantly increase deposit concentration in this market. Accounting for the divestiture and appropriate credit union inclusion, the proposed merger is below deposit concentration safe harbor levels under the Board's standard analysis, increasing only 114 points to 2,141. Although the parties' combined share (37.1%) will be slightly above the Board's 35% guideline, the divestiture buyer will enter the market with a significant share, such that the market will not be skewed towards the combined firm. In view of the divestiture and the mitigating factors discussed below, including recent entry and expansion evidencing the attractiveness of the Cadillac market and the fact that three strong competitors will remain with shares over 10% (including the divestiture buyer), such a post-merger share is not inconsistent with prior Board precedent.⁶⁴

⁶³ The Cadillac Banking market is defined as Missaukee, Wexford, and Osceola (less Richmond, Hersey, Evart, and Orient townships) Counties in Michigan.

⁶⁴ See, e.g., First Financial Bancorp, FRB Order 2018-07 (Feb. 22, 2018) (Greensburg, IN, 63%), Huntington Bancshares, Inc., FRB Order 2016-13 (Jul. 29, 2016) (Akron, OH 38.0%; Canton, OH 36.4%); River Valley Bancorp, FRB Order 2012-10 (Oct. 17, 2012) (Madison, IN-KY, 43.8%); The PNC Financial Services Group, Inc., 95 Fed. Res. Bull. B1 (Dec. 15, 2008) (Meadville, PA 41.6%; Pittsburgh, PA 38%);

A. *At Least Three Credit Unions Warrant Inclusion at 50% of Deposits or More*⁶⁵

There are four credit unions in the Cadillac market, which, in total, hold an estimated \$198.7 million in deposits, or 20.8% of the total retail deposits in the Cadillac market. This is nearly 2.5 times the national share (8.7%) for credit unions. Two of these credit unions – Wexford Community Credit Union and West Michigan Credit Union – warrant inclusion at least at 50% of deposits as shown in the table below.⁶⁶

Name	Total Assets (\$M)	Asset Growth (2015-Q2 2020)	Total Deposits / In-Market (\$M)	Deposit Growth (2015-Q2 2020)	# of Branches/ # In-Market [^]	Network Member -ships	Full Range of Retail Products (Y/N)**	Advertises Business Products/ Services (Y/N)
Included at 50% Weight								
Wexford Community CU	\$69.8	39.2%	\$64.6 / \$64.6	40.6%	2 / 2 *	Xtend CO-OP	Y	Y
	Live, work, worship, or are educated in Wexford, Missaukee, or Osceola counties (100% of Cadillac market)							
	www.wexccu.com							
West Michigan CU	\$188.0	29.3%	\$153.2 / \$19.6	28.4%	5 / 1	Xtend Jeanie	Y	N
	Live, work or have their place of religious worship in Kent, Lake, Manistee, Mecosta, Missaukee, Montcalm, Newaygo, Osceola, or Wexford Counties, Michigan or select employees (100% of Cadillac market)							
	www.westmichigancu.com							
Included at 100% Weight (discussed below)								
4Front CU	\$662.7	55.3%	\$587.7 / \$39.2	56.2%	15 / 1	CO-OP	Y	Y - 2.0% C&I
	Live, work, worship, or attend school in the State of Michigan (100% of Cadillac market)							
	www.4frontcu.com							

Wells Fargo & Company, 95 Fed. Res. Bull. B39 (Oct. 12, 2008) (Grand Junction, CO 36.7%). All shares shown after all quantified adjustments for headquarters, thrifts, and credit unions.

⁶⁵ In 2016, the Board included the deposits of three Cadillac credit unions at 50%. See Huntington Bancshares, Inc., FRB Order 2016-13 (Jul. 29, 2016). The Board also included the deposits of five credit unions weighted at 50% in the Cadillac, Gaylord and Roscommon markets in 2014. See Chemical Financial Corp., FRB Order 2014-16 (Sept. 30, 2014).

⁶⁶ Generally credit unions weighted 50% have not been discussed in detail as confirmation of their membership eligibility and full range of retail products should be sufficient to justify inclusion. All financials are as of June 30, 2020.

Name	Total Assets (\$M)	Asset Growth (2015-Q2 2020)	Total Deposits / In-Market (\$M)	Deposit Growth (2015-Q2 2020)	# of Branches/ # In-Market [^]	Network Member -ships	Full Range of Retail Products (Y/N)**	Advertises Business Products/ Services (Y/N)
Mitigating Factor(s) Not Included in Analysis (discussed below)								
Forest Area FCU	\$147.5	48.4%	\$128.5 / \$64.2	51.9%	6 / 3	Xtend CO-OP	Y	Y
	Live, work worship or attend school in Antrim, Crawford, Grand Traverse, Kalkaska, Missaukee, and Wexford counties (est. 73% of Cadillac market)							
	www.westmichiganfcu.com							

[^]All branches are full-service and street-level (often with drive-thru lanes) unless otherwise noted.

* Including headquarters location.

** Offers checking, savings, CD deposit accounts; mortgages, auto, and consumer loans; and credit cards.

We provide below more detailed descriptions of 4Front Credit Union and Forest Area Federal Credit Union. The parties believe that commercially active 4Front Credit Union, with a C&I loan-to-asset ratio of 2%, warrants inclusion at 100% of deposits.⁶⁷ As to Forest Area Federal Credit Union, although its membership eligibility falls below 80% based on the residency standard applied herein based solely on geographic eligibility standards, the parties believe there are substantial arguments that its actual coverage exceeds 80% such that it should be included at 50% of deposits. If so, the post-merger, post-divestiture HHI would increase by only 106 points to 2,000, and the parties' combined share would barely exceed 35%.

4Front Credit Union ("4Front"), is a \$662.7 million institution based in Traverse City, Michigan. 4Front entered the Cadillac market in 2019 with a *de novo* branch.⁶⁸ 4Front chose Cadillac for its first *de novo* branch since its founding as it "mirrors

⁶⁷ If the Board were to weight 4Front at only 50% of deposits, deposit HHI accounting for the proposed divestiture would still be below the safe harbor threshold increasing 120 points to 2,227, and the parties combined share would be 37.9%.

⁶⁸ Joshua Roose, Cadillac Welcomes 4Front Credit Union, CADILLAC NEWS (Nov. 23, 2019), https://www.cadillacnews.com/news/business/cadillac-welcomes-front-credit-union/article_bc7818f1-3aac-56c9-9eda-8986ec198d01.html.

areas where they have successful existing locations.”⁶⁹ The Cadillac branch was designed as a prototype for future expansion with a smaller footprint and several video tellers to assist customers.⁷⁰ 4Front’s Cadillac branch holds an estimated \$39.2 million in deposits or 4.6% of the market’s deposits.⁷¹ Membership is open to 100% of the population in the Cadillac market, as well as the Ludington and Traverse City markets where 4Front has additional branches.

4Front is a leading credit union in northern Michigan. It formed in 2015 out of the merger of Members Credit Union and Bay Winds Federal Credit Union – two institutions with over 60 years of experience each in northern Michigan.⁷² At the time of the merger, industry analysts noted “[c]ompetition for those business customers will be a bit stiffer.”⁷³ It has since been recognized as a Traverse Magazine “Red Hot Best” awardee in the category of Bank or Financial Institution.⁷⁴ In addition, MemberXP, a member experience measurement platform for high-performing credit unions, recently recognized 4Front for offering leading experiences for new membership, consumer lending, and

⁶⁹ Bryce Airgood, This Credit Union Plans to Open a Branch in Haring Township, CADILLAC NEWS (May 7, 2019), https://www.cadillacnews.com/news/this-credit-union-plans-to-open-a-branch-in-haring/article_af433948-4d6a-5934-ad85-97dc15a58ac5.html.

⁷⁰ Rick Haglund, Money Magnet: Banks, Credit Unions Make Move to Capitalize on Traverse City’s Economic Growth, TRAVERSE CITY BUSINESS NEWS (Oct. 2019), <https://www.tcbusinessnews.com/money-magnet-banks-credit-unions-make-move-to-capitalize-on-traverse-citys-economic-growth/>.

⁷¹ Throughout this analysis, the total deposits of each credit union has been allocated equally across all active full-service branches as of June 30, 2020 (thus excluding locations with limited hours or products, such as at schools and retirement homes). Market shares include select credit unions as weighted in the summary charts (50% or 100%).

⁷² 4Front Credit Union History, <https://www.4frontcu.com/history>.

⁷³ JD Booth, Lenders of Choice, TRAVERSE CITY BUSINESS NEWS (Jan. 2015), <https://www.tcbusinessnews.com/lenders-of-choice/>.

⁷⁴ 4Front Credit Union, Awards & Honors, <https://www.4frontcu.com/awards>.

transactions.⁷⁵ 4Front also won 2020 Diamond Awards from CUNA’s Marketing and Business Development Council in four marketing categories: brand awareness, cutting edge, video (non-commercial) series, and complete campaign.⁷⁶

4Front’s retail product and service offering includes checking and saving accounts, wealth management, including financial and estate planning, credit cards, CDs, mortgage and vehicle loans, as well as unsecured loans.⁷⁷ Like many others, 4Front has embraced virtual banking. Members can review and manage their accounts, pay bills, deposit checks, and get personal financial management support all from 4Front’s virtual platform, 4Sight.⁷⁸ Moreover, in 2020, 4Front partnered with Plinqit to offer members a savings application that pays users for learning about personal finances.⁷⁹

4Front is an active commercial lender with a C&I loan-to-asset ratio of 2.0%, a member commercial loan-to-asset ratio of 7.6%, and an active commercial lending staff.⁸⁰ As it meets the DOJ’s 2% test, it warrants inclusion by both the DOJ and the Board at 100% of deposits. 4Front offers special business membership to anyone that deposits \$1 to open a

⁷⁵ 4Front Credit Union, Awards & Honors, <https://www.4frontcu.com/awards>.

⁷⁶ 4Front, MSUFCU earn Diamond Awards, TRAVERSE CITY RECORD EAGLE (Aug. 26, 2020), https://www.record-eagle.com/news/the_biz/4front-msufcu-earn-diamond-awards/article_aa3a8120-e237-11ea-983c-2709e2166809.html.

⁷⁷ 4Front Credit Union, Personal, <https://www.4frontcu.com/>.

⁷⁸ 4Front Credit Union, Online Banking, <https://www.4frontcu.com/onlinebanking>.

⁷⁹ 4Front Credit Union Launches Plinqit Savings Application, BUSINESS WIRE (Apr. 14, 2020), <https://www.businesswire.com/news/home/20200414005497/en/4Front-Credit-Union-Launches-Plinqit-Savings-App>.

⁸⁰ As of June 30, 2020 – the date on which all SOD data was collected – 4Front’s C&I loan-to-asset ratio was 2.0%. As of September 30, 2020, the ratio fell slightly to 1.9% as 4Front’s total assets increased and C&I loans held steady. This, however, excludes PPP loans. 4Front reported \$8.7 million in PPP loans as of September 30, 2020 (or 1.2% of assets) which would cause 4Front’s true C&I loan-to-asset ratio to increase to 3.1%. See Brittney Buti, [These Funds Will Not Last Small Businesses Encouraged to Apply for PPP](#), UPNORTHLIVE (Apr. 28, 2020), <https://upnorthlive.com/news/local/these-funds-will-not-last-small-businesses-encouraged-to-apply-for-ppp>. (As of April 2020, 4Front CU had made just shy of \$5 million in PPP loans and had submitted approval for 70 more loans).

4Front Business Prime Share account.⁸¹ “We’re different than a traditional bank because our cooperative structure enables 4Front to provide your business lower loan rates, higher dividend rates and fewer service charges.”⁸² Notably, both the current and former CEO of 4Front have commercial lending backgrounds.⁸³ The credit union’s commercial products and services include specialized checking and saving accounts, CDs, business credit cards, business accounting and other merchant services.⁸⁴ 4Front also offers a number of commercial loans for members including working capital lines of credit, equipment loans, commercial real estate and construction loans. The credit union is an SBA authorized lender and has a team dedicated to providing services and loan origination to business customers.⁸⁵ Indeed, during the Covid pandemic, 4Front was recognized for assisting a customer with a new SBA program that provided principal and interest loan payment support for new microloans.⁸⁶ Moreover, 4Front’s reported PPP loans outstanding of \$8.4 million

⁸¹ 4Front Credit Union, Open an Account, <https://www.4frontcu.com/join>.

⁸² 4Front Credit Union, Open an Account, <https://www.4frontcu.com/join>.

⁸³ Leusink retires as 4Front Credit Union CEO, CU Insight (Jan. 7, 2020), <https://www.cuinsight.com/press-release/leusink-retires-as-4front-credit-union-ceo>.

⁸⁴ 4Front Credit Union, Business, <https://www.4frontcu.com/>.

⁸⁵ 4Front Credit Union, Commercial Loans, <https://www.4frontcu.com/business/loans>. Commercial professionals include Geoff Streit, Vice President of Commercial Lending, who works out of Traverse City (Geoff Streit, LINKEDIN, <https://www.linkedin.com/in/geoffstreit>) and Don Bastian, Vice President of Commercial Lending, who works out of Petoskey Michigan (Don Bastian, LINKEDIN, <https://www.linkedin.com/in/don-bastian-bb08ba11>). Mr. Streit regularly speaks and writes about financing issues for small businesses. See, e.g., Geoff Streit: Tips for Lining Up Traditional Business Financing, NEWS-REVIEW (Jun. 5, 2018), https://www.petoskeynews.com/news/business/geoff-streit-tips-for-lining-up-traditional-business-financing/article_4b1c76dc-db25-5bf2-9b49-4d6ab0336714.html; Credit Union Broadcast, #2103: Why Small Business Members Need Faster Payments During Pandemic and How Credit Unions Can Help, <https://www.cubroadcast.com/episodes/archives/04-2020/3>.

⁸⁶ Rick Haglund, Banks, Credit Unions Scramble to Help Clients in Wake of Pandemic Closures, TRAVERSE CITY BUSINESS NEWS (June 2020), <https://www.tcbusinessnews.com/banks-credit-unions-scramble-to-help-clients-in-wake-of-pandemic-closures/>.

representing 1.3% of assets. Overall, 4Front has grown its assets by 55.3% and deposits by 56.2% since 2015. Over the same period, membership increased by 30.9%.

4Front uses CUSOs to strengthen its competitive position. It is a member of CUSO Financial Services, which offers wealth management solutions.⁸⁷ 4Front also partners with MBC (described above⁸⁸) to offer business loans and participate in larger lending projects.⁸⁹ In addition, 4Front has partnered with like-minded Michigan credit unions to cooperatively search for fintech innovations.⁹⁰ This collaboration led 4Front to introduce Autobooks, a bookkeeping platform, for its business customers on their virtual banking platform.⁹¹ 4Front also recently implemented MemberPass for seamless identity verification from another CUSO, CULedger.⁹²

4Front is actively growing its geographic footprint and member accessibility. In 2018, 4Front introduced new VideoTeller Interactive Teller Machines (“ITMs”), in all of its banking markets – including four at its Cadillac branch, as well as in Traverse City, Mancelona, Petoskey, East Jordan, and Kalkaska.⁹³ The ITMs connect members through

⁸⁷ See 4Front Credit Union, Wealth Management Solutions, <https://4frontcu.cusonet.com/>; CUSO Financial, <https://cusonet.com/>.

⁸⁸ See *supra* notes 29-30.

⁸⁹ See, e.g., Mitch Hotts, Construction Begins on \$8 million Senior Living Community in Clinton Twp, MACOMB DAILY (Nov. 5, 2019), https://www.macombdaily.com/news/local/construction-begins-on-8-million-senior-living-community-in-clinton-twp/article_8fc62020-000f-11ea-9441-2fcb23ab5499.html.

⁹⁰ See Danielle Dyer, Michigan CUs Invest in Fintech to Support Small Business Members, CU MANAGEMENT (May 24, 2017), <https://www.cumanagement.com/articles/2017/05/collaboration-beats-competition>.

⁹¹ 4Front CU, Autobooks, <https://www.4frontcu.com/autobooks>.

⁹² Four Credit Unions Simplify the Member Authentication Process with CULedger’s MemberPass, CACHE VALLEY INFORMATION, <https://cachevalleyinfo.com/2020/10/15/four-credit-unions-simplify-the-member-authentication-process-with-culedgers-memberpass/>.

⁹³ See Rick Haglund, Money Magnet: Banks, Credit Unions Make Move to Capitalize on Traverse City’s Economic Growth, TRAVERSE CITY BUSINESS NEWS (Oct. 2019), <https://www.tcbusinessnews.com/money-magnet-banks-credit-unions-make-move-to-capitalize-on-traverse-citys-economic-growth/>.

video with a local, specialized 4Front team member who can execute a number of transactions, including some that were only available through lobby visits.⁹⁴ 4Front is also in the process of building a new 73,000 square foot administrative center in Traverse City.⁹⁵ In addition to the credit union's branches, all members, retail and commercial, have access to area 4Front ATMs as well as nearly 30,000 surcharge-free ATMs through the CO-OP ATM network.⁹⁶ In view of the foregoing – and especially given its C&I ratio – the parties believe 4Front should be included at 100% of deposits in Cadillac, as well as in Ludington and Traverse City as discussed below.

Forest Area Credit Union (“Forest Area”) has three branches in the Cadillac market – tied with Huntington for the second largest branch network in the market – holding \$64.2 million in deposits. Forest Area's membership is open to anyone who lives, works, worship, or attends school in six identified counties, including Wexford and Missaukee Counties in the Cadillac market. Omitted is Osceola County, the third county in the Cadillac market. Using only the residency factor of Forest Area's membership criteria – and excluding all of Osceola's residents – the institution is accessible to 73% of the Cadillac market's population – just shy of the 80% cut-off used in this analysis. This conservative methodology, however, would incorrectly exclude those residents of Osceola County who would qualify based on other criteria – *i.e.*, if they work, worship, or attend school in the rest of the Cadillac market, or if they are employees of the credit union, volunteers in the

⁹⁴ 4Front introduces new-to-region drive-thru tech, CUInsight (July 19, 2018), <https://www.cuinsight.com/press-release/4front-introduces-new-to-region-drive-thru-tech>.

⁹⁵ Trevor Drew, 4Front Credit Union Holds Groundbreaking Ceremony for New Building, UPNORTHLIVE NBC (July 23, 2019), <https://upnorthlive.com/news/local/4front-credit-union-holds-groundbreaking-ceremony-for-new-building>.

⁹⁶ 4Front Credit Union, Branches, <https://www.4frontcu.com/branches>.

community, or members of the immediate family of Forest Area members. If fewer than one-quarter of the population of Osceola (or 4,400 people) met this eligibility criteria, Forest Area would reach 80% of the Cadillac market population. Importantly, Forest Area clearly has 100% membership eligibility in Missaukee and Wexford counties, the only two counties in the market where either of the merging parties has branches.

Forest Area offers a full range of retail and commercial products and services, including checking, savings, IRAs and credit cards.⁹⁷ Its loan offering is also quite extensive and includes auto loans, home equity loans, personal and student loans, as well as commercial loans to support construction, operating capital, equipment purchases, and lines of credit.⁹⁸ Members also have access to the extensive CO-OP network of surcharge free ATMs as well as the Xtend shared branch network.⁹⁹

In view of the above, Forest Area very clearly competes with Huntington and TCF today and will continue to do so post-merger. When Forest Area's deposits are weighted at 50%, and accounting for the proposed divestiture, the parties' combined share falls to 35.7% and the HHI would increase only 106 points to a post-merger HHI of 2000.

We note that all four credit unions in the market have experienced significant growth in recent years. Asset growth among the four range between 29.3% and 55.3% since 2015. Deposit growth over this period ranged between 28.4% and 56.2%. By comparison, total bank deposits in the market grew by 22.2% since 2015 and the combined deposits at the

⁹⁷ Forest Area FCU, Personal Banking, <https://forestarea.com/personal-banking-directory/>; Forest Area FCU, Business Banking, <https://forestarea.com/business-solutions/>.

⁹⁸ Forest Area FCU, Loans & Business Lending, <https://forestarea.com/business-lending/>.

⁹⁹ Forest Area FCU, Locations, <https://forestarea.com/atms-and-branches/>.

branches of the two parties grew only 13.6%. Clearly, all of the market's credit unions are vibrant competitors.

B. The Combined Firm Will Continue to Face Competitive Pressure from Several Banking Institutions

The Cadillac market is home to several strong regional and local banks that will continue to constrain the combined bank post-merger. These banks, whose local market activities are summarized here, are profiled in greater detail at the end of this section.

Fifth Third Bancorp ("Fifth Third"), a strong regional bank, has one large branch in the Cadillac market holding \$119.3 million in deposits, giving it a 14.1% market share. Fifth Third is the fourth largest bank in Michigan by deposits with over 190 banking centers in the state, including 66 branches in banking markets adjacent to Cadillac.

Mercantile Bank Corporation ("Mercantile"), the bank holding company of Mercantile Bank of Michigan, operates two branches in the Cadillac market holding \$90.4 million in deposits, for a 10.7% market share. As noted below, Mercantile ranks second in terms of small business loan originations with four times more loan volume than Huntington in this market. As with Fifth Third, Mercantile is a well-established bank in Michigan with 40 branches statewide.

Lake Financial Corporation ("Lake Financial"), the holding company of Lake-Osceola State Bank, has two Cadillac market branches holding \$53.1 million in deposits (6.3% share). One such branch is at the site of a former Huntington branch, which opened in 2017. Since 2018, the bank's market deposits grew 25%, exceeding the growth of the market's total bank deposits (18%).

Lake Financial does not report CRA loans. It is not shown as originating any small business loans in the Cadillac market, owing to the fact that Osceola County, where Lake Financial has branches, is excluded from the Cadillac market estimates based on a methodology of assigning the entirety of a county to the banking market holding the majority of the county's deposits.¹⁰⁰ The estimated loan origination volume of Lake Financial in Osceola County, however, was three times larger than Huntington's reported volume in the entire Cadillac market plus Osceola County, and presumably a significant portion of these loan originations are in the Cadillac market.¹⁰¹

Honor Bancorp, Inc. ("Honor") is the parent of Honor Bank, a Michigan-based bank with eight branches statewide and a loan office. Honor has one branch in the Cadillac market holding \$19.6 million in deposits (2.3% share). Deposits at this branch grew 36.7% since 2016 and 16.6% in the last year. As noted below, Honor's small business lending in the market (12.7%) far exceeds its deposit share.

These financial institutions, in addition to the four area credit unions, and the putative divestiture buyer will continue to constrain the combined firm.

C. Numerous Institutions Compete for Small Business Loans

Small business lending is less concentrated than the deposit market would suggest. Although TCF currently leads, its presence will likely be reduced by half as a result

¹⁰⁰ Osceola County is split between the Cadillac and Grand Rapids, Michigan markets.

¹⁰¹ Throughout this Memorandum, small business lending conservatively refers to the origination of loans between \$100,000 and \$1 million in size based on 2019 CRA data reported to the FFIEC, with estimates for non-reporting, in-market institutions based on 2019 commercial real estate and C&I loans outstanding reported on Call Reports. Loans below \$100,000 have not been included so as to exclude at least most credit card lending from all banks (which is typically in amounts below \$100,000). Outstanding loans were allocated to the market based on the percent of the non-reporter's total domestic deposits reported in the market and then multiplied by 0.6 to approximate originations. Small business lending markets were determined from the counties included in the Federal Reserve banking market definition. Entire counties are included where the majority of the deposits in the county fall within the banking market.

of the divestiture, and the divestiture buyer will likely start with a share of 18% or more. Accounting for the divestiture, Mercantile will lead the post-merger market with a share of 34.4%, and the divestiture buyer will likely rank third. We also note that Honor Bank, with an estimated 12.7%, currently out-ranks Huntington,¹⁰² as does Independent Bank, despite the fact that the latter has no branches in the market.¹⁰³ Independent is apparently originating loans into the market from one or more of its 28 branches in the surrounding Grand Rapids, Traverse City, or Mount Pleasant markets. If Osceola County were to be included in the Cadillac market for purposes of small business lending, Lake Financial would rank third behind TCF and Mercantile with an 18.4% share.¹⁰⁴

D. Cadillac is Attractive for New Entry

The Cadillac market, situated in northwestern Michigan, is a well-established manufacturing hub in the area, home to Four Winns (boat manufacturer), Rexair (home cleaning systems), AAR Manufacturing (aviation and cargo products and systems), and FIAMM (vehicular horns).¹⁰⁵ These and other businesses are clustered around Cadillac City. Outside of this small town, the area is largely rural marked by the Huron-Manistee Natural Forest and the Brandy Brook Waterfowl Area. Although inland from Lake Michigan, the market is home to three large lakes: Lakes Cadillac, Missaukee, and Mitchell.¹⁰⁶ Agriculture (dairy, timber, and other) and tourism are thus key Cadillac industries.¹⁰⁷ Fellow

¹⁰² Honor's estimated small business loan origination share is thus 5.5 times its deposit share (2.3%).

¹⁰³ Independent Bank is profiled in more detail, *see infra* notes 274-286.

¹⁰⁴ The Cadillac small business lending market has been approximated by Missaukee and Wexford Counties.

¹⁰⁵ *See* Jeff Smith, *Wexford County Profile*, MYNORTH.COM (Feb. 3, 2015), <https://mynorth.com/2015/02/wexford-county-profile/>.

¹⁰⁶ *See, e.g.*, Jeff Smith, *Missaukee County Profile*, MYNORTH.COM (Feb. 5, 2015), <https://mynorth.com/2015/02/missaukee-county-profile/>.

¹⁰⁷ *See, e.g., id.*

Michiganders and others travel to the Cadillac market in the summer for the area lakes and in the winter for skiing and other winter sports.

The Cadillac Micropolitan Statistical Area¹⁰⁸ is growing. While population growth in Michigan as a whole has stagnated (0.05%, 2-year CAGR), this market grew third fastest among all 18 Michigan micropolitan statistical areas at 0.5%, a growth rate twice that of the U.S. population. Per capita income and median household income growth over the last two years have also exceeded state and national growth rates. This demographic strength has helped attract new entry and expansion in the market. Lake Osceola State Bank expanded its local presence with the opening of a new branch in 2017; Forest Area opened two new branches in 2019 and relocated a third to a newly built location in 2020; and, as noted above, 4Front, a commercially active credit union, entered the Cadillac market *de novo* in 2019.

E. Cadillac Conclusion

Accounting for the parties' proposed divestiture and with appropriate credit union inclusion, deposit concentration levels are below the safe harbor threshold. The proposed transaction will not result in a substantial lessening of competition, particularly since three strong competitors will remain with shares over 10% (including the divestiture buyer) and Cadillac is demonstrably attractive for new entry.

F. Cadillac Bank Profiles

As noted, a number of regional and local banks operate in the Cadillac market. Some of them are profiled below:

Fifth Third Bancorp, based in Cincinnati, Ohio, is a diversified financial services company operating with a network of 1,122 full-service banking centers across 10

¹⁰⁸ Defined as Missaukee and Wexford counties.

states, including 191 in Michigan. As of June 30, 2020, its commercial bank subsidiary, Fifth Third Bank, National Association, had total assets of \$201.3 billion, total U.S. deposits of \$162.4 billion, total loans of \$115.0 billion, and a C&I loan-to-total assets ratio of 24.8%. Fifth Third reported \$1.5 billion in deposits at 13 offices across the Bay City-Saginaw, Cadillac, Gaylord, Gladwin-Midland, Ludington, and Traverse City markets.

Fifth Third has four main businesses: Commercial Banking, Branch Banking, Consumer Lending, and Wealth and Asset Management. Fifth Third is committed to supporting businesses, especially small businesses. In 2016, Fifth Third pledged \$10 billion for small business loans between 2016 and 2020. It had exceeded this goal by June 30, 2020 with \$11.1 billion in small business loans, including \$5.4 billion in Paycheck Protection Program loans.¹⁰⁹ Fifth Third is a SBA Preferred Lender. Fifth Third has expanded its middle market lending outside its retail footprint to California and Texas and serves the corporate market nationwide.¹¹⁰ Over \$4 billion of its commercial loans outstanding (6% of its total) are in Michigan along with \$714 million in non-owner occupied commercial real estate loans, \$217 million in residential mortgage loans, and \$239 million in home equity loans. Fifth Third has four account representatives serving its equipment finance and corporate loan divisions across Michigan, in addition to 30 business banking relationship managers.¹¹¹

¹⁰⁹ Fifth Third Bank, ESG Highlights <https://www.53.com/content/dam/fifth-third/docs/reports/FifthThird-ESG-Report-Final-Highlights-ADA.pdf> and Community Commitment Plan Summary <https://www.53.com/content/dam/fifth-third/docs/education/53-commitment-plan-summary.pdf>.

¹¹⁰ Fifth Third Bancorp, 2019 Annual Report at 14 https://s23.q4cdn.com/252949160/files/doc_financials/annual/FITB_2019_10-K.pdf.

¹¹¹ Fifth Third Bancorp, Find Commercial Banking in Michigan, <https://cbios.53.com/mi> and Fifth Third Bancorp, Find a Business Banking Relationship Manager in Michigan, <https://businessbank.53.com/mi>.

Fifth Third entered Michigan in 2000 with a single branch in Lambertville. In 2001, it became the third largest bank in the state with a 9.4% deposit share after its acquisition of Old Kent Financial Corp. It remains fourth largest with a 7.5% share as of June 30, 2020 – 13.3% of its total deposits. In 2019, Fifth Third raised its visibility by adding the bank’s brand to 299 Cardtronics ATMs in Speedway stores in Michigan.¹¹² In 2019, Fifth Third Bank was pronounced Best Regional Bank by Kiplinger because of its consumer-friendly deposit and investment accounts.¹¹³

While Fifth Third reevaluates the role of physical branches in serving its customers, it has developed Next Gen branches offering a smaller footprint and an open atmosphere combined with increased digital offerings. Fifth Third Bank’s CEO, Greg Carmichael, remains committed to Michigan, and sees West Michigan as a vital growth market and is “more committed in this market than we’ve ever been,” and he intends “to continue to grow this franchise here.”¹¹⁴

Mercantile Bank Corporation is the bank holding company for Mercantile Bank of Michigan and is headquartered in Grand Rapids, Michigan. Since its founding in 1997, Mercantile has grown to be the third largest bank in Michigan by deposits with 39 full-service branch locations, eight video banking machines, and several retail loan centers. Mercantile serves commercial, retail and government customers with a broad range of

¹¹² Press Release, Cardtronics, Fifth Third Bank Expands Presence in Michigan by Placing its Brand on Cardtronics ATMS in Speedway Stores Throughout the State (July 30, 2019), <https://www.globenewswire.com/news-release/2019/07/30/1894135/0/en/UPDATE-Fifth-Third-Bank-Expands-Presence-in-Michigan-by-Placing-its-Brand-on-Cardtronics-ATMs-in-Speedway-Stores-Throughout-the-State.html>.

¹¹³ Lisa Gerstner, Best Regional Banks 2019, KIPLINGER (July 1, 2019), <https://www.kiplinger.com/slideshow/saving/t005-s002-best-regional-banks-2019/index.html>.

¹¹⁴ Jesse O’Brien, Less is More Strategically for Fifth Third, GRAND RAPIDS BUSINESS JOURNAL (Oct. 21, 2016), <https://grbj.com/news/less-is-more-strategically-for-fifth-third/>.

products and services including treasury management, merchant, insurance, and payroll services.¹¹⁵ As of June 30, 2020, Mercantile Bank had total assets of \$4.3 billion, total U.S. deposits of \$3.3 billion, total loans of \$3.3 billion, and a C&I loan-to-total assets ratio of 28.1%. While its C&I lending increased due to \$555 million in PPP loans¹¹⁶ from 21.3% of assets at December, 31, 2019, lending had already been growing steadily – up 24.2% from 2015 to 2019, supported by 36 commercial lenders and market presidents and 10 treasury sales officers.¹¹⁷ Mercantile announced its first expansion outside of Michigan with a mortgage lending center in Cincinnati, Ohio in November 2020.¹¹⁸

President of Mercantile Bank, Ray Reitsma, stated, “We are pleased with the net loan growth and level of new commercial term loan originations during 2019. Net loan growth during the year depicts increases in both commercial loans and residential mortgage loans. All commercial loan segments, with the exception of the multi-family and residential rental segment, grew during the year. The solid growth in commercial loans reflects our lending staff’s ongoing focus on identifying new lending opportunities in our markets and meeting the needs of existing customers.”¹¹⁹ Robert Kaminski, Jr., President & CEO of

¹¹⁵ Mercantile Bank Corp., Conference Call & Webcast Presentation – Third Quarter 2020, 15, https://s26.g4cdn.com/722068143/files/doc_downloads/irw/Q3-2020-earnings-call-presentation.pdf In-house payroll services products are not currently offered by the national and large regional banks including Huntington, Bank of America, JPMorgan Chase, and Fifth Third.

¹¹⁶ *Id.* at 7.

¹¹⁷ Mercantile Bank of Michigan, Business Team, <https://www.mercbank.com/business/team/>.

¹¹⁸ Press Release, Mercantile Bank, [Mercantile Bank of Michigan Announces Expansion Into Ohio with Opening of New Mortgage Leading Center in Cincinnati](https://www.mercbank.com/news-market-data/press-releases/press-release/2020/Mercantile-Bank-Of-Michigan-Announces-Expansion-Into-Ohio-With-Opening-Of-New-Mortgage-Lending-Center-In-Cincinnati/default.aspx) (Nov. 2, 2020), <https://www.mercbank.com/news-market-data/press-releases/press-release/2020/Mercantile-Bank-Of-Michigan-Announces-Expansion-Into-Ohio-With-Opening-Of-New-Mortgage-Lending-Center-In-Cincinnati/default.aspx>.

¹¹⁹ Press Release, Mercantile Bank, [Mercantile Bank Corp. Announces Strong Fourth Quarter & Full Year 2019 Results](https://www.mercbank.com/news-market-data/press-releases/press-release/2020/Mercantile-Bank-Corporation-Announces-Strong-Fourth-Quarter-and-Full-Year-2019-Results/default.aspx) (Jan. 21, 2020), <https://www.mercbank.com/news-market-data/press-releases/press-release/2020/Mercantile-Bank-Corporation-Announces-Strong-Fourth-Quarter-and-Full-Year-2019-Results/default.aspx>.

Mercantile, further reported that “[i]n 2019, Mercantile once again demonstrated the ability to generate steady and disciplined loan growth. Despite a highly competitive environment in all of our markets, our brand of relationship-banking continues to resonate well with commercial and retail clients.”¹²⁰

Mercantile entered northern Michigan in 2014 with its acquisition of Firstbank Corporation.¹²¹ This was its entry to the Cadillac, Bay City-Saginaw, Gaylord, and Roscommon markets.

Lake Financial Corporation, the privately-held holding company for Lake-Osceola State Bank, is headquartered in Baldwin, Michigan. Lake Financial has 10 branches across five Michigan counties (including the Cadillac and Ludington markets) and has announced a new branch in the Grand Rapids market. Lake Financial offers a full range of business and retail banking products including cash management services.¹²² As of June 30, 2020, Lake-Osceola State Bank had total assets of \$334.0 million, total U.S. deposits of \$277.2 million, total loans of \$235.0 million, and a C&I loan-to-total assets ratio of 10.5%. Assets have grown 38.4% since 2017 while *C&I loans have tripled*.

Honor Bancorp, Inc. is the holding company for Honor Bank, a full-service community bank headquartered in Honor, Michigan. Honor has eight branches and a loan center across the Traverse City, Cadillac, and Ludington, Michigan banking markets. Honor offers a full-range of retail and business banking products including cash management

¹²⁰ Mercantile Bank Corp., 2019 Annual Report, 1, https://www.annualreports.com/HostedData/AnnualReports/PDF/NASDAQ_MBWM_2019.pdf.

¹²¹ Mercantile Bank of Michigan, Our History, <https://www.mercbank.com/about/history/>.

¹²² Lake-Osceola State Bank, <https://www.losb.com/>.

services. To serve business customers, Honor has five commercial lenders.¹²³ As of June 30, 2020, Honor Bank had total assets of \$278.5 million, total U.S. deposits of \$247.2 million, total loans of \$233.9 million, and a C&I loan-to-total assets ratio of 21.1%. From 2017 to June 2020, Honor's assets have grown 22.7% and deposits 24.6%. Growth continues with Honor adding another 7.3% in deposits from June to September 2020. C&I loans more than doubled, mostly attributable to over \$34 million in PPP lending,¹²⁴ but had also steadily increased 17.0% from 2017 to 2019.

2. Gaylord, Michigan Banking Market¹²⁵

The parties propose to divest approximately \$75 million in deposits in the Gaylord market. The proposed divestiture addresses any possible competitive concerns in this market, particularly in view of the number and strength of local credit unions and banks that will continue to constrain the combined firm post-merger and recent entry and expansion in the market. Specifically, four competitors will exceed a 10% share of the deposit market while Fifth Third retains a 24.6% share of small business loan originations. Moreover, and importantly, accounting for the proposed divestiture and with the reasonable inclusion of credit union deposits, deposit concentration levels (1,679/127) and the parties' combined share (25.7%) are below the Board's safe harbor thresholds.

¹²³ Honor Bank, Meet Our Commercial Lending Team, <https://www.myhonorbank.com/meet-our-commercial-lending-team>.

¹²⁴ Honor Bank, Paycheck Protection Program, <https://www.myhonorbank.com/ppp>.

¹²⁵ The Gaylord Banking Market is defined as Otsego and Oscoda Counties in Michigan, and the townships of Vienna, Briley, and Albert in Montmorency County, Michigan.

A. *Two Credit Unions Warrant Inclusion at 50% of Deposits and One Commercially Active Credit Union Should Be Weighted at 100% of Deposits*¹²⁶

Four credit unions in the Gaylord market operate nine branches holding an estimated \$461.8 million in deposits – or 41.0% of total market deposits. This share is nearly *five times* the national share for credit unions. Relevant statistics are set forth in the table below.

Name	Total Assets (\$M)	Asset Growth (2015-Q2 2020)	Total Deposits / In-Market (\$M)	Deposit Growth (2015-Q2 2020)	# of Branches/ # In-Market [^]	Network Member -ships	Full Range of Retail Products (Y/N)**	Advertises Business Products/ Services (Y/N)
Included at 50% Weight								
Community Financial CU	\$1,120.4	59.6%	\$936.8 / \$288.2	72.3%	13 / 4	CO-OP	Y	Y
	Reside, work, attend school, or worship in the State of Michigan (100% of Gaylord market) www.cfcu.org							
Alpena-Alcona Area CU	\$415.4	35.0%	\$363.5 / \$51.9	31.0%	7 / 1	Xtend CUSC	Y	Y
	Reside, work, own real property, attend school or worship within any county in the State of Michigan (100% of Gaylord market) www.aaacu.com							
Included at 100% Weight (discussed below)								
Northland Area FCU	\$495.0	53.5%	\$114.3 / \$98.8	50.8%	13 / 3 *	CO-OP	Y	Y - 2.0% C&I
	Live, work, worship, or attend school in and businesses and other legal entities located in Alpena, Alpena, Arenac, Crawford, Iosco, Montmorency, Ogemaw, Oscoda, Otsego or Roscommon Counties in Michigan (100% of Gaylord market) www.northlandcu.com							
Mitigating Factors Not Included in Analysis (discussed below)								
Awakon CU	\$129.4	36.0%	\$114.3 / \$22.9	34.3%	5 / 1	Xtend CO-OP	Y	Y
	Live, work, worship, attend school in, or own a business located in the Northernmost Eight Counties of Lower Michigan, which include; Presque Isle, Cheboygan, Montmorency, Otsego, Alpena, Emmet, Charlevoix, and Antrim Counties (~78% of Gaylord market) awakonfcu.net							

[^]All branches are full-service and street-level (often with drive-thru lanes) unless otherwise noted.

* Including headquarters location.

¹²⁶ The Board previously included the deposits of five credit unions weighted at 50% in the Cadillac, Gaylord and Roscommon markets. See Chemical Financial Corp., FRB Order 2014-16 (Sept. 30, 2014).

*** Offers checking, savings, CD deposit accounts; mortgages, auto, and consumer loans; and credit cards.*

As shown, two credit unions – Community Financial Credit Union and Alpena-Alcona Area Credit Union – have statewide membership eligibility and operate street-level branches. Notably, Community Financial Credit Union has four branches in the Gaylord market, more than any other financial institution, and has experienced 60% growth in assets since 2015. The deposits of both Community Financial and Alpena-Alcona clearly meet the Board’s criteria for inclusion at 50% of deposits.

Northland Area Federal Credit Union is commercially active and, for the reasons discussed below should be included at 100% of deposits (but even if Northland Area Federal Credit Union is only credited at 50% of deposits, the Gaylord market will not present competitive concerns after the transaction). A fourth credit union, Awakon Federal Credit Union, is open to at least 78% of the Gaylord market. Although falling short of the 80% residency threshold based solely on geographic eligibility standards, in all likelihood it actually meets the Board’s coverage requirement and warrants 50% inclusion.

Northland Area Federal Credit Union (“Northland Area”), holding \$495 million in assets, is an Oscoda, Michigan-based credit union operating 13 street-level branches and a stand-alone drive-thru. These branches span the Bay City-Saginaw, Gaylord, and Roscommon markets. Northland Area’s Gaylord market branches hold an estimated \$98.8 million in deposits (10.6% share). Northland Area also has a loan office located in Alpena, Michigan. The credit union has a C&I loan-to-asset ratio of 2.0%¹²⁷ and a member

¹²⁷ Northland has consistently held a C&I loan to asset ratio of greater than 2.0% since 2016. In addition to its traditional C&I loans, Northland reported \$3.2 million in PPP loans (0.6% of assets) as of June 30, 2020 which indicates a true C&I loan-to-asset ratio of 2.7%.

commercial loan-to-asset ratio of 14.0% generated by a dedicated staff discussed below. As such, Northland Area deposits should be weighted at 100%.¹²⁸

Recognized as the Outstanding Credit Union of the Year (large asset category) by the Michigan Credit Union League,¹²⁹ Northland Area offers a full range of retail products and services including checking and savings accounts, money market accounts, CDs, IRA accounts, and direct deposit, as well as loan products including mortgage loans, credit cards, unsecured loans and lines of credit.¹³⁰ MemberXP also named Northland Area one of their 2020 Best of the Best award winners due to its exceptional member service.¹³¹

Northland Area also tailors products and services for commercial customers: “We understand small business. We know that it is important to find a comprehensive money management package . . . Northland Area’s Small Business Money Management Package has been designed with you in mind—one stop access to all the business services you need to be successful.”¹³² Northland Area has a dedicated business lending team to provide “knowledgeable staff, confidentiality, local decisions, and personal service” to commercial customers.¹³³ Business loans offered include real estate, equipment, start-up,

¹²⁸ Even if the Board were to weigh Northland at 50% of deposits, the post-merger, post-divestiture HHI would be below the safe harbor threshold, increasing 141 points to 1,778.

¹²⁹ Michigan Credit Union League & Affiliates, 2020 MCUL and MUCF Awards Honor Michigan Credit Unions and Professionals (Feb. 20, 2020), https://www.mcul.org/News?article_id=29585.

¹³⁰ See Northland Area FCU, <https://www.northlandcu.com/>.

¹³¹ Northland Area FCU, What’s New, <https://www.northlandcu.com/new>.

¹³² Northland Area FCU, Business Loans, <https://www.northlandcu.com/business-loan>.

¹³³ Northland Area FCU, Business Loans, <https://www.northlandcu.com/business-loan>. The commercial team includes a Commercial Finance Vice President (Jack Eling, LINKEDIN, <https://www.linkedin.com/in/jack-eling-04b67016>), a Community Business Lending Officer (Northland Area FCU, FAQs, <https://www.northlandcu.com/faqs?question=80>), a Business Development Officer (<https://www.facebook.com/NorthlandCreditUnion/photos/we-are-excited-to-be-part-of-the-addition-of-tawas-bay-pizza-in-tawas-city-with-/2924186030940101/>), and an SBA lender (<https://sbdcmichigan.org/wp-content/uploads/2020/04/SBA-Lender-Participation-in-PPP.pdf>).

operating capital, construction and expansion loans as well as lines of credit and business credit cards.¹³⁴ Northland Area also offers BluePay payment processing solutions to its merchant members.¹³⁵ Commercial customers also have access to business checking and savings accounts and drop deposits at night depositories at all hours.¹³⁶ Indeed, each of Northland Area's branches has a drive-thru and a night deposit box.¹³⁷

Northland Area has been growing and investing to improve products and services for its members in the last few years. Membership grew from approximately 40,000 in 2014 to nearly 50,000 in 2019. Since 2015, deposits are up approximately 50.8%, and assets are up 53.5%. In 2016, Northland Area opened a lending office in Alpena focused exclusively on the lending needs of its members, "both personal and commercial."¹³⁸ And like many of its peers, Northland Area has invested in and offers online banking to members, which enables members to pay bills, view statements, transfer funds, apply for and make payments on loans, and get personal finance assistance through Quicken, all from the comfort of their own homes.¹³⁹

Northland Area is also part of the CO-OP ATM and CO-OP Shared Branch network giving members access to nearly 30,000 surcharge-free ATMs in the US and Canada and over 5,000 shared branch locations.¹⁴⁰ While Northland Area is presently headquartered

¹³⁴ Northland Area FCU, Business Loans, <https://www.northlandcu.com/business-loan>.

¹³⁵ Northland Blue Pay, Merchant Accounts Brochure, <https://www.northlandcu.com/files/northlandcu/1/file/BluePay/BluePay%20Brochure%20web.pdf>.

¹³⁶ Northland Area FCU, Business Services, <https://www.northlandcu.com/deposits-and-services>.

¹³⁷ Northland Area FCU, Hours & Locations, <https://www.northlandcu.com/hours>.

¹³⁸ Northland Area FCU Newsletter (Summer 2016), <https://www.northlandcu.com/files/northlandcu/1/file/2016%20Newsletters/Northland%207-16sm.pdf>.

¹³⁹ Northland Area FCU, Home Banking & CORA, <https://www.northlandcu.com/home-banking>; Northland Area FCU, Bill Pay, <https://www.northlandcu.com/online-resources/BP>.

¹⁴⁰ Northland Area FCU, Perks, <https://www.northlandcu.com/perks>.

in the Gaylord market, it has broken ground on a new headquarters location to be located in Alpena, Michigan. At the same time, Northland Area is making plans to open a new Oscoda branch.¹⁴¹

Awakon Federal Credit Union, (“Awakon”) is open to people who are family members of an existing Awakon member, or who live, work, worship, or attend school in eight identified counties, including two counties (Otsego and Montmorency) in the Gaylord market. Because the membership list omits the third county in the market (Oscoda), a conservative estimate, based on residency only, would indicate that Awakon’s coverage extends to only 78% of the market’s population. If, however, only 713 residents of Oscoda (8.6% of total residents) work, worship, or attend school in Otsego or Montmorency Counties, or are members of the family of an existing member, Awakon would reach the 80% coverage threshold for the Gaylord market. Thus, Awakon warrants inclusion at 50% of deposits. If so, the market’s HHI would increase only 124 points to 1,640, well within the safe harbor threshold.

Awakon is a \$129.4 million institution based in Onaway, Michigan. It operates one Gaylord branch holding an estimated \$22.9 million in deposits. Awakon offers a full range of retail and commercial banking products and services.¹⁴² During the Covid-19 pandemic, Awakon processed 83 PPP small business loans for a total of \$2.2 million¹⁴³ (representing about 1.7% of assets), evidencing its commercial lending activity and

¹⁴¹ Northland Area FCU Newsletter (Summer 2020), https://northlandcu.secure.cusolutionsgroup.net/files/northlandcu/1/file/2020%20Newsletters/Northland_Summer_2020_final_web.pdf.

¹⁴² See generally Awakon Federal Credit Union, <https://awakonfcu.net/>.

¹⁴³ See Awakon Federal Credit Union, October 2020 Newsletter, <https://awakonfcu.net/wp-content/uploads/Awakon-OCT2020-SB-PROOF.pdf>. As of June 30, 2020 Awakon reported \$2.0 million in PPP loans giving it a combined C&I loan-to-asset ratio of 1.6%.

willingness to support small businesses. Since 2015, it has grown its assets by 36% and its deposits by 34%.

B. Competition from Area Banks Will Continue to Constrain the Combined Firm.

In addition to the parties, four other banks operate in the Gaylord market: Fifth Third, Mackinac, Mercantile, and Central-State. These banks are all active throughout Michigan, and will continue to act as a constraining force on the combined firm.

Fifth Third Bancorp, profiled above,¹⁴⁴ has one branch in Gaylord holding \$196.8 million in deposits. Fifth Third has a 21.1% deposit share having grown its branch by more than 50% since 2016 – nearly 1.5 times as fast as the parties combined. Fifth Third originated 24.6% of small business loans in Gaylord in 2019 – more than five times Huntington’s share.

Mackinac Financial Corporation (“Mackinac”), profiled below, is the holding company for mBank. mBank has three branches and \$111.9 million in deposits in the Gaylord market. mBank has a long history in this market having opened a branch in 1998 and, in 2002, merged with a branch of Standard Federal Bank.¹⁴⁵ In 2018, Mackinac acquired First Federal of Northern Michigan Bancorp and its three in-market branches.¹⁴⁶ Since acquiring these branches, mBank’s Gaylord market deposits have grown another 21%. It is now the fourth largest bank, and tied with Huntington for the largest bank branch

¹⁴⁴ See *supra* notes 109-114.

¹⁴⁵ See North Country Bank & Trust to Acquire Six Northern Michigan, BLOOMBERG (Aug. 2, 2001), <https://www.bloomberg.com/press-releases/2001-08-03/north-country-bank-and-trust-to-acquire-six-northern-michigan>. At the time of the merger, mBank was still operating as North Country Bank and Trust.

¹⁴⁶ See Gaylord Herald Times, mBank Acquires First Federal, https://www.petoskeynews.com/gaylord/news/business/mbank-acquires-first-federal/article_3bfde894-87a0-5072-af1b-e684dc97ccf1.html.

network.¹⁴⁷ It holds a 12% deposit share. mBank is also an active local commercial lender with one commercial banking officer located in Gaylord,¹⁴⁸ and a 6.1% share of small business loan originations – exceeding Huntington’s share (4.5%).

Mercantile Bank Corporation, profiled above,¹⁴⁹ has one branch in the market, which has grown by 38% since 2016. Currently holding \$28.9 million in deposits (3.1% share), the branch is a short drive from Huntington’s Mio, Michigan branch. Mercantile generated a 7.7% share of small business loan originations in 2019 (ranking third in the market) – more than twice its deposit share and nearly twice Huntington’s loan share.

Central-State Bancorp (“Central-State”), profiled below, is the holding company for State Savings Bank (“State Savings”). State Savings entered the Gaylord, Michigan banking market with a loan center in 2015 that provided mortgage and commercial loans. In 2018, State Savings launched a full-service branch in Gaylord.¹⁵⁰ This branch now holds \$13.0 million in deposits (1.4% share). The small business loan originations estimated based on these branch deposits likely understate State Savings’ competitive presence in the market since its lenders had three years to establish a presence before the branch actually opened its first deposit account. Nevertheless, State Savings’ 7.2% estimated share far exceeds its deposit share and exceeds Huntington’s share (4.5%).

Finally, we note that national and regional banks, like Wells Fargo and Independent Bank that lack an in-market branch presence, accounted for a combined 11.3%

¹⁴⁷ Community Financial CU leads with four branches, and Northland Area FCU also has three branches.

¹⁴⁸ mBank, mBank’s Commercial Lending Team, <https://www.bankmbank.com/contact/commercial-lending-team/>.

¹⁴⁹ See *supra* notes 115-121.

¹⁵⁰ State Savings Bank, Bank With Us on Main Street Gaylord, <https://www.ssbankmi.com/about/news-articles/bank-with-us-on-main-street-in-gaylord.html>.

share of small business lending and will continue to constrain the small business practices of the combined firm, post-merger.

C. Gaylord is Attractive for New Entry

Although the Gaylord market is a rural region, the populations of Otsego and Montmorency Counties have grown faster than Michigan as a whole in the last two years. Oscoda and Montmorency Counties have also had growth in per capita income and median household income well above that of the country or Michigan. Last year, Otsego County had 50% more businesses than the median of all Michigan counties outside any core-based statistical area (“CBSA”) and 75% more employees.

Gaylord’s “urban” center, the city of Gaylord, has fewer than 5,000 residents, but is a commuting hub, drawing workers from a 100-mile radius “because the town offers the kind of jobs that are hard to find in northern Michigan.”¹⁵¹ One commuter from Petoskey said “A lot of people, they drive through and they see everything, but they don’t realize at what level we’re seeing growth.”¹⁵² Gaylord is well-positioned at the intersection of north-south I-75 and east-west M-32 connecting Alpena to Petoskey. Gaylord is also an education hub for the area. The University Center in Gaylord has partnered with several universities including Northwood University, Ferris State University, Spring Arbor University, Madonna University, Kirtland Gaylord M-Tec, and Michigan State University, to provide residents in

¹⁵¹ Patrick Sullivan, *Gaylord: A Boomtown Up North*, THE NORTHERN EXPRESS (Dec. 31, 2016), <https://www.northernexpress.com/news/feature/gaylord-a-boomtown-up-north/>.

¹⁵² *Id.*

northern Michigan with the ability to earn their associates, bachelors and master degrees from the 47,000 square foot state-of-the-art Kirtland Gaylord M-Tec facility.¹⁵³

The area's attractiveness has generated new entry and expansion in the market. Central-State entered the market with a *de novo* full-service in 2018 after opening a loan center in 2015. Mackinac expanded its footprint in the market through the acquisition of First Federal of Northern Michigan Bancorp, Inc. in 2018. As mentioned above, Northland Area will be opening a new Oscoda branch after it moves its headquarters to the Alpena market.

D. Gaylord Conclusion

Accounting for the parties' proposed divestiture, deposit concentration levels in the Gaylord market are below safe harbor levels. The proposal addresses any possible competitive concerns in this market, particularly in view of the number and strength of local credit unions and banks that will continue to constrain the combined firm post-merger. Specifically, four competitors will exceed a 10% share of the deposit market while Fifth Third retains a 24.6% share of small business loan originations.

E. Gaylord Bank Profiles

Mackinac Financial Corporation is the holding company for mBank, headquartered in Manistique, Michigan. As of June 30, 2020, mBank had total assets of \$1.5 billion, total U.S. deposits of \$1.2 billion, total loans of \$1.2 billion, 28 branches across Michigan and Wisconsin (including the Alpena, Gaylord, and Traverse-City markets), and a C&I loan-to-total assets ratio of 21.7%. The community bank offers a full range of retail

¹⁵³ See Gaylord Area Chamber of Commerce, Otsego Economic Alliance, <https://www.gaylordchamber.com/otsego-economic-alliance>; University Center Gaylord, Learning Partners, <https://www.ucgaylord.org/state-of-the-art-facilities/partners/>.

deposit and loan products along with “commercial lending and treasury management products and services geared toward small to mid-sized businesses.”¹⁵⁴ Its C&I loans have more than doubled since 2017.

mBank was named the 2019 Community Lender of the Year by the SBA based on initiatives generating approximately \$20 million in loans throughout its footprint.¹⁵⁵ In 2020, mBank funded around \$164 million in SBA Payroll Protection Program loans with 95% of them in Michigan.¹⁵⁶ mBank also joined the Allpoint ATM network, launched a new website, and focused on technological solutions for its customers, including improvements in mobile apps and Treasury Management services.¹⁵⁷ mBank also partners with USDA and Michigan Economic Development Corporation to “provide needed capital to local small businesses for expansion and operating needs.”¹⁵⁸ It has pursued organic growth along with a series of strategic acquisitions.

Central-State Bancorp Inc. is the holding company for State Savings Bank, which operates six full-service branches and five loan centers and an operations center within the Traverse City and Gaylord banking markets in Michigan.¹⁵⁹ State Savings offers a full range of retail and commercial banking products including treasury/cash management

¹⁵⁴ mBank, Mackinac Financial Corporation Profile, <http://www.sn1.com/IRW/CorporateProfile/1019295>.

¹⁵⁵ Press Release, mBank, mBank Named 2019 SBA Community Lender of the Year in Michigan (Nov. 13, 2020), <https://www.bankmbank.com/mbank-named-2019-sba-community-lender-of-the-year-in-michigan/>.

¹⁵⁶ Mackinac Financial, Annual Meeting Presentation at 20 (May 27, 2020), https://pendingmaterials.proxyvote.com/554571/20200414/OTHER_432430.PDF.

¹⁵⁷ Id. at 27.

¹⁵⁸ Charles M. Cooper, mBank’s Success Story at 6, GREAT LAKES BANKER (July 2016), <https://www.bankmbank.com/wp-content/uploads/2019/02/Great-Lakes-Banker-July-Cover-Story.pdf>.

¹⁵⁹ The loan centers are in the Bay City-Saginaw, Grand Rapids, Traverse City, and Calumet banking markets.

services, investments, and merchant card services.¹⁶⁰ For more than 30 years, Central State Bank (of Beulah) and State Savings Bank (of Frankfort) operated under separate charters, but common ownership, until their consolidation in 2018, which was designed to improve their cost profile and increase their presence in the highly competitive Traverse City and Gaylord markets. The new State Savings “sees opportunities to grow its business there.”¹⁶¹

As of June 30, 2020, State Savings had total assets of \$271.5 million, total U.S. deposits of \$225.2 million, total loans of \$199.7 million, and a C&I loan-to-total assets ratio of 13.3%. Since 2018 (post-consolidation), assets and deposits have grown 42% while C&I loans have more than doubled. Even from 2018 to 2019 (before PPP lending), its C&I loans grew 28%. The bank has nine commercial lenders and 10 mortgage lenders serving not just the Traverse City and Gaylord banking markets, but also the Grand Rapids and Bay City-Saginaw markets.¹⁶²

3. Gladwin-Midland, Michigan Banking Market¹⁶³

The parties propose to divest approximately \$100 million in deposits in the Gladwin-Midland market. Such a divestiture will *deconcentrate* the market and the parties’ post-merger, post-divestiture share will be *less* than TCF’s current share. The proposed

¹⁶⁰ State Savings Bank, <https://www.ssbankmi.com/>.

¹⁶¹ Rick Haglund, ‘In a Better Position’: Bank Consolidation Prompts State Savings Bank to Open Branches in TC, Gaylord, TRAVERSE CITY BUSINESS NEWS (Dec. 2018), <https://www.tcbusinessnews.com/in-a-better-position-bank-consolidation-prompts-state-savings-bank-to-open-branches-in-tc-gaylord/>.

¹⁶² State Savings Bank, Commercial Loans, <https://www.ssbankmi.com/loans/commercial-loans.html> and State Savings Bank, Find a Mortgage Lender, <https://www.ssbankmi.com/loans/find-a-mortgage-lender.html>.

¹⁶³ The Gladwin-Midland Banking Market is defined as Gladwin and Midland Counties in Michigan.

transaction, accounting for the divestiture, thus poses no risk of lessening competition in this market.¹⁶⁴

4. Roscommon, Michigan Banking Market¹⁶⁵

The parties propose to divest approximately \$40 million in deposits in the Roscommon market, which nearly approximates Huntington's total deposits in the Roscommon market. The divestiture buyer will thus be similarly situated to Huntington today. Although deposit concentration and combined share levels marginally exceed safe harbor levels based on Board assumptions, such concentration levels are consistent with Board precedent in view of the mitigating factors discussed below.

*A. Deposit Concentration is Nearly Safe Harbor with the Reasonable Inclusion of Two Credit Unions*¹⁶⁶

Deposit concentration in the Roscommon market, accounting for the proposed divestiture and reasonable inclusion of credit union deposits, is only 37 points above the safe harbor threshold (increasing 237 points to 2,850), and the parties' combined share will be 38.7%.¹⁶⁷

The two credit unions in the market operate five full-service branches holding \$156.6 million in deposits – or 23.1% of total market deposits. This share is almost three times the national share for credit unions. One credit union, North Central Area Credit

¹⁶⁴ See Public Statistical Annex Volume, Exhibit II, for additional details, including information regarding four credit unions, which should be appropriately weighted in the Board's competitive analysis of the Gladwin-Midland market.

¹⁶⁵ The Roscommon Banking Market is defined as Crawford and Roscommon Counties in Michigan.

¹⁶⁶ The Board previously included the deposits of five credit unions weighted at 50% in the Cadillac, Gaylord and Roscommon markets. See Chemical Financial Corp., FRB Order 2014-16 (Sept. 30, 2014).

¹⁶⁷ TCF's premerger deposit share in the Roscommon market is 34.5% with the appropriate inclusion of credit union deposits.

Union has three Roscommon branches (two more than Huntington does today), and is open to the entire population of the market. Accordingly, it meets the Board’s standards for inclusion at 50% of deposits. As discussed further below, the other credit union, Northland Area, is commercially active and warrants inclusion at 100% of deposits (but even if Northland Area is only credited at 50% of deposits, the Roscommon market will not present competitive concerns after the transaction).

Name	Total Assets (\$M)	Asset Growth (2015-Q2 2020)	Total Deposits / In-Market (\$M)	Deposit Growth (2015-Q2 2020)	# of Branches/ # In-Market^	Network Member -ships	Full Range of Retail Products (Y/N)**	Advertises Business Products/ Services (Y/N)
Included at 50% Weight								
North Central Area CU	\$135.0	26.7%	\$121.0 / \$90.7	26.4%	4 / 3 *	Xtend CO-OP	Y	N
	Live, work, worship, volunteer, or attend school in the counties of: Alcona, Alpena, Antrim, Arenac, Bay, Benzie, Charlevoix, Cheboygan, Clare, Crawford, Emmet, Gladwin, Grand Traverse, Huron, Iosco, Isabella, Kalkaska, Lake, Leelanau, Manistee, Mason, Mecosta, Midland, Missaukee, Montmorency, Newaygo, Oceana, Ogemaw, Osceola, Oscoda, Otsego, Presque Isle, Roscommon, Sanilac, Tuscola, and Wexford in the State of Michigan (100% of Roscommon market)							
	www.ncacu.org							
Included at 100% Weight (discussed below)								
Northland Area FCU	\$495.0	53.5%	\$428.1 / \$65.9	50.8%	13 / 2	CO-OP	Y	Y - 2.0% C&I
	Live, work, worship, or attend school in the State of Michigan (100% of Roscommon market)							
	www.northlandcu.com							

[^]All branches are full-service and street-level (often with drive-thru lanes) unless otherwise noted.

* Including headquarters location.

** Offers checking, savings, CD deposit accounts; mortgages, auto, and consumer loans; and credit cards.

Note: North Central Area CU’s branch count excludes an administrative office in Houghton Lake.

Northland Area Federal Credit Union, profiled above,¹⁶⁸ holds an estimated 10.4% deposit share in the Roscommon market, making it comparable in size to Huntington (10.6%). Its Grayling branch in the Roscommon market is one of the largest in Northland Area’s network and its branch manager has a long-time relationship with the credit union having first worked as a Member Service Representative for the credit union in high school

¹⁶⁸ See *supra* notes 127-141.

and later participating in the credit union's Manager in Training program, where he learned to help train staff and received hands-on training in business lending.¹⁶⁹ As noted previously, Northland Area has a 2.0% C&I loan-to-asset ratio (or 2.7% including PPP loans), a member commercial loan-to-asset ratio of 14.0%, and a dedicated staff of commercial lenders. For these reasons, the parties believe it should be included at 100% of deposits.¹⁷⁰

B. Strong Bank Competition Will Constrain the Combined Firm

Post-merger, the combined firm will continue to face significant competition from other banking institutions.

JPMorgan Chase & Co. ("JPMC"), profiled below, operates two branches in the Roscommon market (one more than Huntington today) which hold a 33.7% share of deposits. Its deposits grew 24.8% since 2016 exceeding the growth of the market's bank deposits as a whole.

Mercantile Bank Corporation, profiled above,¹⁷¹ presently operates one branch in Roscommon with a 3.6% share of deposits. While the smallest competitor in the deposit market, Mercantile generated a 5.2% share of small business loan originations in 2019, ranking fifth. Mercantile's deposits at this Roscommon market branch grew 30% from 2016 to 2020.

¹⁶⁹ See Michigan Credit Union League & Affiliates, Meet the 2017 Crashers: Matthew and Ashley (May 22, 2017), https://www.mcul.org/News?article_id=26869.

¹⁷⁰ If Northland were weighted at 50% of deposits, the HHI would increase 263 to 3,081. In view of the discussed mitigating factors in this market, however, the parties submit that such deposit concentration should be acceptable and is not indicative of actual, probable competitive harm.

¹⁷¹ See *supra* notes 115-121.

As discussed below, numerous other out-of-market banks hold material small business lending portfolios in the Roscommon market. These banks will continue to act as a significant constraint on the combined firm post-merger.

C. Several Significant Small Business Lenders

The proposed merger will have minimal effect on small business lending in the Roscommon market, particularly when accounting for the proposed divestiture. Huntington has a very minimal small business lending presence, originating only four loans totaling \$1.2 million in 2019. All of the loans were made to businesses in Crawford County, where its only branch is located.

Moreover, several out-of-market banks are active lenders in the market and will continue to constrain the combined firm. The second largest small business lender in Roscommon is Horizon Bancorp, Inc. (“Horizon”), with a share of 16.5% in small business loan originations despite having no branches in the market.

Horizon, is the holding company for Horizon Bank, an Indiana-based bank with locations across southern Michigan. Horizon aggressively entered the Roscommon commercial lending market in 2019. Its closest branch is in Midland, Michigan, which is approximately an hour south of the Roscommon area. Horizon acquired Wolverine Bancorp in 2017 to enter the Gladwin-Midland market and, after completing the conversion, has focused its efforts on expanding business development northward. The Midland branch is now staffed by three commercial loan officers and a treasury management officer, and is further supported by the Great Lakes Bay Area and Central Michigan regional presidents.¹⁷²

¹⁷² See Horizon Bank Staff Search Midland Branch, <https://www.horizonbank.com/directory/staff-search/?LocationId=103>.

Horizon's total Michigan small business originations grew 20% from \$69.5 million in 2018 to \$83.8 million in 2019.

Fifth Third ranks third in small business loan originations in Roscommon with a share of 11.7%. Although Fifth Third does not have an in-market branch presence, Fifth Third likely serves the Roscommon market from its nearest branch location in Gaylord, Michigan, an approximately 30 minute drive north of the Roscommon area. The Gaylord branch is staffed by an experienced Business Banking Relationship Manager who serves Northern Michigan clients from Gaylord to Petoskey to Grayling.¹⁷³ Notably, Fifth Third's share of small business loan originations in the Roscommon market grew 10.3% since 2018. In both 2018 and 2019, Fifth Third's share has exceeded Huntington's.

Other out-of-market competitors (including Isabella Bank, Comerica, and Independent Bank)¹⁷⁴ account for another 12.1% of small business loan originations, mostly from branches within an hour of Roscommon. The Roscommon market is thus strongly influenced by competitors from surrounding banking markets despite not meriting direct inclusion within those markets.¹⁷⁵ Note also that the foregoing shares do not account for credit unions, which do not report CRA data. As discussed elsewhere, credit unions are particularly strong in Michigan and, in many cases, such as Northland Area, are active commercial lenders.

¹⁷³ Fifth Third Bank, Fifth Third Business Banking – Lori Reichard, <https://businessbank.53.com/mi/gaylord/123-west-main-street>.

¹⁷⁴ See *infra* note 296 (Isabella Bank profile) and *infra* notes 274-287286 (Independent Bank profile).

¹⁷⁵ In this regard, it bears some similarity to the Old Saybrook, Connecticut market at issue in the Board's decision in Fleet Financial Group, Inc., 82 Fed. Res. Bull. 50 (Nov. 14 1995).

D. Roscommon is Attractive for New Entry

The Roscommon market is a nature-lovers paradise. Approximately 75% of the land in Crawford County is owned by the State of Michigan, United States Forest Service, or the Department of Military Affairs.¹⁷⁶ Much of these federal and state lands are open to the public, making it an attractive area for canoeing, fishing, hunting and snowmobiling. The city of Grayling in Crawford County is named after the Grayling species of fish,¹⁷⁷ and each year hosts the Au Sable River Canoe Marathon.¹⁷⁸ Roscommon County, meanwhile, is home to the largest inland lake in Michigan, Houghton Lake, as well as Higgins Lake, renowned for its beauty.¹⁷⁹ Both Crawford and Roscommon Counties attract tourists and frequent visitors from the neighboring cities of Cadillac, West Branch, and Gaylord.

Although there has been limited bank entry and expansion in Roscommon in recent years, Roscommon, and in particular Crawford County, where the parties' branches overlap, is a growing area that is attractive for new entry. Population in the county grew 10 times faster than in Michigan as a whole over the last two years and twice the rate for the United States. Its relative growth is even greater when compared to the median of all Michigan counties or Michigan counties outside of CBSAs. Per capita income has also surged above national and Michigan growth rates, up 7.9% CAGR since 2018, versus 3.9% nationwide and 3.2% in Michigan. Median household income in Crawford County similarly

¹⁷⁶ Crawford County, Crawford County History, <https://www.crawfordco.org/county-info/county-history/>.

¹⁷⁷ See Garret Ellison, *Michigan to Resurrect Cherished Fish Species Lost to the Midwest*, MLIVE.COM (Apr. 2, 2019), https://www.mlive.com/news/2016/06/michigan_grayling_reintroduci.html.

¹⁷⁸ See AuSable River Canoe Marathon, <https://www.ausablecanoemarathon.org/>.

¹⁷⁹ Roscommon County Economic Development Corporation, <https://roscoedc.org/>.

exceeds national and Michigan growth rates, up 7.5% , as compared to 3.6% in the United States and 3.3% in Michigan. Roscommon County shows similar growth rates (though less dramatic), exceeding population and income growth for the nation, state, and counties outside of CBSAs.

E. Roscommon Conclusion

The parties proposed divestiture of approximately \$40 million in deposits should address any competitive concerns the Board may have in the Roscommon market, particularly in view of the strength of JPMC in the market as well as several local banks and credit unions. Following the divestiture, one bank competitor will have over 30% deposit share, another competitor will exceed 10%, while two more will exceed 5% shares.

F. Roscommon Bank Profile

JPMorgan Chase & Co. is a leading global financial services provider and the largest banking organization in the United States by assets. As of June 30, 2020, its subsidiary, JPMorgan Chase Bank, N.A. had total assets of \$2,820.9 billion, total U.S. deposits of \$1,704.7 billion, total loans of \$975.2 billion, and a C&I loan-to-total assets ratio of 6.3%.

As of December 31, 2019, JPMC had 4,976 branches and over 16,850 ATMs nationwide.¹⁸⁰ JPMC has stated its intent to expand its presence into states representing 95% of the U.S. population and since 2018 has introduced the option to open checking and savings accounts electronically.¹⁸¹ JPMC has also added over 300 bankers in the past two

¹⁸⁰ JPMorgan Chase & Co., 2019 Annual Report at 9, 20 (Apr. 6, 2020) (“JPMC 2019 Annual Report”), <https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/investor-relations/documents/annualreport-2019.pdf>.

¹⁸¹ *Id.* at 25-26; JP Morgan Chase & Co., Investor Day 2020 Consumer & Community Banking Presentation at 17 (Feb. 25, 2020) (“2020 Consumer Presentation”),

years and continues to expand its commercial offerings with a focus on middle market businesses.¹⁸² In 2019, JPMC’s Consumer and Community Banking segment deposit market share nationwide was 9.3%, serving over 63 million U.S. households.¹⁸³

JPMC entered Michigan in 2004 when it merged with Bank One Corporation, which was the largest bank in the Midwest at the time. JPMC now has over 200 branches in Michigan holding \$63.5 billion in deposits (the largest bank in the state)¹⁸⁴, and is active in middle market and small business lending in Michigan.¹⁸⁵ In Spring 2020, JPMC approved \$1.4 billion in small business loans for more than 9,300 Michigan businesses.¹⁸⁶

5. Alpena Michigan Banking Market¹⁸⁷

No divestiture is warranted in Alpena. As discussed in greater detail below, with the reasonable inclusion of credit unions in the market, deposit concentration levels fall below the Board’s established safe harbor threshold and small business lending will be

<https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/investor-relations/documents/events/2020/investor-day-2020/2020-ccb-investor-day.pdf>.

¹⁸² JPMC 2019 Annual Report, *supra* note 180 at 32; JP Morgan Chase & Co., Investor Day 2020 Commercial Banking Presentation at 4 (Feb. 25, 2020) (“2020 Commercial Presentation”), <https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/investor-relations/documents/events/2020/investor-day-2020/2020-cb-investor-day.pdf>.

¹⁸³ JPMC 2019 Annual Report, *supra* note 180 at 20 (Federal Deposit Insurance Corporation 2019 Summary of Deposits survey per S&P Global Market Intelligence. Includes a \$500 million deposit cap for market shares. Includes all commercial banks, savings banks, and savings institutions as defined by the FDIC).

¹⁸⁴ JPMC has offices in the Bay City-Saginaw, Roscommon, and Traverse City markets.

¹⁸⁵ See 2020 Commercial Presentation, *supra* note 182 at 7.

¹⁸⁶ Press Release, JP Morgan Chase & Co., Chase Approved to Fund About \$29 billion to 239,000 Businesses Through the Paycheck Protection Program (May 1, 2020), <https://media.chase.com/news/chase-approved-to-fund-29-billion-to-239000-businesses-through-ppp>.

¹⁸⁷ The Alpena Banking Market is defined as Alpena and Presque Isle Counties in Michigan; the townships of Mitchell, Caledonia, Alcona, and Haynes in Alcona County, Michigan; and the townships of Montmorency, Hillman, Avery, Loud, and Rust in Montmorency County, Michigan.

unaffected. In addition, the parties' post-merger share (25.9%) is well below the Board's 35% share guideline.¹⁸⁸

A. Deposit Levels are Not Concentrated with the Inclusion of Six Credit Unions at 50% or More of Deposits

The Alpena market is home to seven credit unions which hold nearly half (48.5%) of the total market deposits – almost six times the national share. Of these, five meet the Board's standards for inclusion at 50% of deposits and one merits 100% inclusion (detailed in the chart below). If all six are weighted at only 50%, the deposit HHI is below the safe harbor threshold, increasing 344 points to 1,595. If H.P.C. Credit Union – an active commercial lender – is weighted at 100% of deposits, concentration levels fall further, increasing 300 points to 1,523. All of these credit unions have witnessed strong growth in assets, ranging from 17% to 71% since 2015, and corresponding growth in deposits (16% to 72%) over the same period.

Name	Total Assets (\$M)	Asset Growth (2015-Q2 2020)	Total Deposits / In-Market (\$M)	Deposit Growth (2015-Q2 2020)	# of Branches/ # In-Market [^]	Network Member -ships	Full Range of Retail Products (Y/N)**	Advertises Business Products/ Services (Y/N)
Included at 50% Weight								
Alpena-Alcona Area CU	\$415.4	35.0%	\$363.5 / \$51.9	31.0%	7 / 3 *	Xtend CUSC	Y	Y
	Reside, work, own real property, attend school or worship within any county in the State of Michigan (100% of Alpena market)							
	www.aaacu.com							
Community Financial CU	\$1,120.4	59.6%	\$936.8 / \$288.2	72.3%	13 / 4	CO-OP	Y	Y
	Reside, work, attend school, or worship in the State of Michigan (100% of Alpena market)							
	www.cfcu.org							
Wolverine State CU	\$116.3	71.3%	\$103.0 / \$68.7	70.8%	3 / 2 *	--	Y	N
	Live or work or worship in Alpena, Alcona, Arenac, Iosco, Montmorency, Ogemaw, Oscoda or Presque Isle counties in Michigan (100% of Alpena market)							

¹⁸⁸ The market remains below safe harbor levels even if the two credit unions accessible to less than 100% of the market are excluded and HPC is weighted at 50%.

Name	Total Assets (\$M)	Asset Growth (2015-Q2 2020)	Total Deposits / In-Market (\$M)	Deposit Growth (2015-Q2 2020)	# of Branches/ # In-Market [^]	Network Member -ships	Full Range of Retail Products (Y/N)**	Advertises Business Products/ Services (Y/N)
	www.wolverinescu.com							
Calcite CU	\$92.0	45.5%	\$78.4 / \$52.2	42.9%	3 / 2 *	Xtend CO-OP	Y	N
	Live, work, worship, own property, or attend an educational institution in the Michigan Counties of Alpena, Cheboygan, Emmet and Presque Isle Counties (~84% of Alpena market)							
	www.calcitecu.com							
Awakon CU ¹⁸⁹	\$129.4	36.0%	\$114.3 / \$22.9	34.3%	5 / 2 *	Xtend CO-OP	Y	Y
	Live, work, worship, attend school in, or own a business located in the Northernmost Eight Counties of Lower Michigan, which include: Presque Isle, Cheboygan, Montmorency, Otsego, Alpena, Emmet, Charlevoix, and Antrim Counties (~94% of Alpena market)							
	awakonfcu.net							
Included at 100% Weight (discussed below)								
H.P.C. CU	\$138.1	17.5%	\$118.2 / \$118.2	16.3%	3 / 2	Xtend	Y	Y - 3.2% C&I
	Live, work, worship, or attend school in the State of Michigan (100% of Alpena market)							
	www.hpccu.com							
Mitigating Factors Not Included in Analysis (Northland Area discussed below)								
Northland Area FCU	\$495.0	53.5%	--	50.8%	13 / 0 (*) Lending Center	CO-OP	Y	Y - 2.0% C&I
	Live, work, worship, or attend school in and businesses and other legal entities located in Alcona, Alpena, Arenac, Crawford, Iosco, Montmorency, Ogemaw, Oscoda, Otsego or Roscommon Counties in Michigan (~74% of Alpena market)							
	www.4frontcu.com							
Alpena Community CU	\$27.7	25.9%	\$24.7 / \$24.7	24.0%	1 / 1*	Xtend CO-OP	Y	N
	Live, work, or worship in Alpena County (58% of Alpena market)							
	www.alpenacreditunion.com							

[^]All branches are full-service and street-level (often with drive-thru lanes) unless otherwise noted.

* Including headquarters location or (*) future headquarters location.

** Offers checking, savings, CD deposit accounts; mortgages, auto, and consumer loans; and credit cards.

Note: Alpena-Alcona Area CU will be opening a new branch in Alpena High School in 2021 (opening delayed by Covid).¹⁹⁰

¹⁸⁹ Profiled above, *supra* notes 142-143.

¹⁹⁰ Press Release, Alpena Alcona Area Credit Union, [Alpena Alcona Area Credit Union Partners with Alpena High School to Open a Student-Run Branch](https://www.aaacu.com/files/alpena18/1/file/AHS%20Student%20Run%20Branch.pdf) (July 12, 2019), <https://www.aaacu.com/files/alpena18/1/file/AHS%20Student%20Run%20Branch.pdf>.

H.P.C. Credit Union (“HPC”) is based in Alpena, Michigan where two of its three branches are located. It has an estimated deposit share of 13.4%.¹⁹¹ HPC offers a variety of retail and commercial banking products and services, including checking and savings accounts, CDs, and a variety of loan products including credit cards, student loans, auto and home mortgage loans.¹⁹² It also has a full line of commercial loan options and a dedicated team to service commercial customers and their lending needs.¹⁹³ Its dedicated business lending officer, Tom Hendricks, brought almost 10 years’ experience as a commercial lender at mBank and First Federal of Northern Michigan before he was hired by HPC in 2019.¹⁹⁴ HPC is an active commercial lender with a C&I loan-to-asset ratio of 2.3% and a member commercial loan-to-asset ratio of 5.3%. HPC has been an active PPP lender – reporting \$2.8 million in 77 loans as of September 30, 2020 (2.0% of assets), which is consistent with its commercial presence pre-Covid. The combined PPP and C&I lending gives HPC a 4.6% C&I loan-to-asset ratio as of September 30, 2020. HPC thus warrants 100% weighting of deposits in the Alpena market.

Very recently, HPC has made efforts to expand its operations. In 2019, HPC expanded its charter to further open up its field of membership statewide.¹⁹⁵ It also very recently opened its third branch, located in West Branch, Michigan.¹⁹⁶

¹⁹¹ HPC opened its third branch in the West Branch, Michigan banking market August 17, 2020. See HPC Credit Union, Newsletter (Fall 2020), https://www.hpccu.com/pdf/HPC_Fall_2020.pdf. Since this opened after June 30, all of the deposits of HPC have been allocated to its two branches in the Alpena market.

¹⁹² HPC Credit Union, Services, <https://www.hpccu.com/services.php>.

¹⁹³ See, e.g., HPC Credit Union, Newsletter (Spring 2020), <https://www.hpccu.com/pdf/spring2020.pdf>; HPC Credit Union, Newsletter (Summer 2018), https://www.hpccu.com/pdf/Summ18_NL.pdf; HPC Credit Union, Newsletter (Spring 2018), <https://www.hpccu.com/pdf/Spring%202017.pdf>.

¹⁹⁴ Tom Hendricks, LINKEDIN, <https://www.linkedin.com/in/tom-hendricks-63802a38>.

¹⁹⁵ HPC Credit Union, Newsletter (Summer 2019), <https://www.hpccu.com/pdf/HPCSUMMNL2019.pdf>.

¹⁹⁶ HPC Credit Union, Newsletter (Fall 2020), https://www.hpccu.com/pdf/HPC_Fall_2020.pdf.

Northland Area Federal Credit Union, profiled above,¹⁹⁷ opened a lending center in Alpena in 2016 to serve “both personal and commercial needs.”¹⁹⁸ As described previously, Northland Area is a commercially active credit union (2.0% C&I ratio) that is currently accessible to about 74% of the Alpena market residents based solely on residency eligibility. To better serve these residents, Northland Area will be opening its newly-built 4-story, 57,000 square foot headquarters in Alpena in the near future. This move from Oscoda represents a new commitment to serving the Alpena market.¹⁹⁹ While Northland Area currently is not represented in either the deposit or lending market share tables despite a four-year history in the market, it should be considered a strong mitigating factor and an example of recent committed entry to the Alpena market.

B. The Combined Firm will Continue to Face Competition from Strong Area Banks

The Alpena market is home to three other strong banking institutions that will continue to constrain the parties post-merger. These institutions are profiled and discussed below.

Mackinac Financial Corporation, profiled previously,²⁰⁰ has two offices with \$187.3 million in deposits in Alpena and leads the market with a 21.2% share, including

¹⁹⁷ See *supra* notes 127-141.

¹⁹⁸ Northland Area Federal Credit Union, Newsletter (Summer 2016), <https://www.northlandcu.com/files/northlandcu/1/file/2016%20Newsletters/Northland%207-16sm.pdf>.

¹⁹⁹ See Phil Heimerl, Credit Union to Break Ground on New Headquarters in Alpena, TRUE NORTH RADIO NETWORK (July 2, 2018), <https://www.truenorthradionetwork.com/2018/07/02/credit-union-to-break-ground-on-new-headquarters-in-alpena/>; Northland Area Federal Credit Union, Newsletter (Summer 2020), https://northlandcu.secure.cusolutionsgroup.net/files/northlandcu/1/file/2020%20Newsletters/Northland_Summer_2020_final_web.pdf; and Wolgast Corp., In Progress Projects – Northland Area Federal Credit Union, <http://www.wolgastcorporation.com/specialty-markets/in-progress-projects/nafcu>.

²⁰⁰ See *supra* notes 154-158.

appropriately weighted credit unions. mBank ranks second in small business lending with an 18.4% share – nearly three times Huntington’s share (6.6%). Mackinac entered the Alpena market in 2018 through its acquisition of First Federal of Northern Michigan Bancorp.²⁰¹ The CEO of First Federal remained with mBank as Executive Vice President of Community Banking and Administration. Since the acquisition, market deposits have grown 11%. mBank has two full-time commercial banking officers in Alpena and a third, hired in 2019, who serves Alpena and Gaylord.²⁰² mBank has a strong C&I loan-to-asset ratio (21.7%), a sizeable commercial real estate portfolio, and significant commercial lending staffing in the market.

PNC Financial Services Group (“PNC”), profiled below, has one branch in the Alpena market with \$59.6 million in deposits (6.7% deposit share). It originated 7.6% of the Alpena market small business loans in 2019 – more than Huntington (6.6%) despite its smaller deposit base.

Huron National Bancorp Inc. (“Huron”), profiled below, serves the Alpena, Michigan banking market from its sole office in Rogers City holding \$54.3 million in deposits (6.1% share). In 2020, Huron switched from a national to a state charter. According to the bank’s President and CEO, Erik Nadolsky, “As a state bank we feel our regulators will

²⁰¹ Press Release, Mackinac Financial, First Federal of Northern Michigan Bancorp, Inc. to Merge with Mackinac Financial Corporation (Jan. 16, 2018), <http://www.snl.com/IRW/file/1019295/Index?KeyFile=391780619>.

²⁰² mBank, Commercial Lending Team, <https://www.bankmbank.com/contact/commercial-lending-team/> and mBank Welcomes New Commercial Banking Officer to Gaylord/Alpena Area (Oct. 15, 2019), <https://www.bankmbank.com/mbank-welcomes-new-commercial-banking-officer-to-gaylord-alpena-area/>.

be more attuned to the complexities and cycles that occur in our local economy, especially in our commercial business sector.”²⁰³

CNB Corporation (“CNB”), profiled below, has one branch with \$39.7 million in deposits in the Alpena, Michigan market (4.5% share) and yet generated an estimated share of 12.8% of small business loan originations – nearly twice Huntington’s share. All of CNB’s other branches are in the Petoskey, Michigan market.

C. The Parties have a De Minimis Share of Small Business Loan Originations

The proposed transaction will have minimal impact on small business lending in the Alpena market. In 2019, Huntington made only *two* small business loans in the Alpena market (up from one such loan in 2018) representing a share of 6.6%. TCF led small business loan originations with a share of 23.9%, followed by Mackinac (18.4%), CNB (est. 12.8%), and PNC (7.6%) – all larger than Huntington. Other lenders have no branches in the market, such as Mercantile (6.1%), KeyCorp (4.0%) and Wells Fargo (3.4%), and are not captured in the deposit market analysis. In total, six competitors made at least two loans in the market (the same as Huntington). The combined firm will thus continue to face competition for small business loans from numerous financial institutions, including credit unions which do not report lending data to CRA.

D. Alpena Conclusion

Deposit concentration in Alpena, after accounting for the reasonable inclusion of credit unions under Board assumptions, is below safe harbor levels. The proposed transaction’s *de minimis* impact on small business lending, the strength of local banks and

²⁰³ Local Bank Changes Name to Huron State Bank, PRESQUE ISLE COUNTY ADVANCE (Sept. 30, 2020), <https://piadvance.com/2020/09/local-bank-changes-name-to-huron-state-bank/>.

credit unions, and branch concentration measures²⁰⁴ further evidence that the proposed transaction will not substantially lessen competition in the Alpena market.

E. Alpena Bank Profiles

PNC Financial Services Group, headquartered in Pittsburgh, Pennsylvania, is currently the seventh largest bank holding company in the United States by total assets. PNC's retail branch network is primarily located in the Mid-Atlantic, Midwest, and Southeast, where it operates approximately 2,300 branches and 9,100 ATMs.²⁰⁵ On November 16, 2020, PNC announced its agreement to acquire BBVA USA Bancshares, which is headquartered in Houston, Texas, and will expand PNC's footprint in the South and Southwest.²⁰⁶ As of June 30, 2020, PNC Bank had total assets of \$455.3 billion, total U.S. deposits of \$338.1 billion, total loans of \$258.3 billion, and a domestic C&I loan-to-total assets ratio of 22.7%. Across its footprint, PNC's C&I lending increased 32.1% from 2016 to 2019 while assets grew 11.7%.

PNC offers retail banking, including “residential mortgage, corporate and institutional banking and asset management,”²⁰⁷ as well as brokerage, investment

²⁰⁴ The HHI for number of branches increases 248 points to 1,198, which includes all branches of banks, thrifts, and credit unions accessible to at least 80% of the market's population. The Board has previously considered branch concentration levels as a mitigating factor in its competitive analysis. See Robertson Holding Company, L.P., FRB Order 2017-36 (Dec. 15, 2017) (“An additional assessment of the transaction, based on competitors' shares of the total number of branches in the market, also supports the view that the structural effects of the transaction would not substantially lessen competition. Branches are one way banks attract customers and are able to provide services to customers throughout the market.”).

²⁰⁵ PNC Financial Services Group, 2019 Annual Report at ii, 1 <https://thepncfinancialservicesgroupinc.gcs-web.com/static-files/be4c0f13-ce5d-4997-a59b-37a319dae8e9> (“PNC Annual Report”).

²⁰⁶ Press Release, PNC Financial Services, PNC Announces Agreement to Buy BBVA USA Bancshares, Inc. (Nov. 16, 2020), <https://thepncfinancialservicesgroupinc.gcs-web.com/static-files/ef6fe86e-f31f-4d9d-b347-a54ed47128f3>.

²⁰⁷ PNC Annual Report, *supra* note 205 at 1.

management, and cash management products and services.²⁰⁸ PNC is actively expanding its nationwide middle market banking business, and it expanded into two Western markets in 2019.²⁰⁹ PNC entered Michigan in 2008 through the acquisition of National City's \$11.9 billion in Michigan deposits.²¹⁰ It currently has 170 offices across Michigan holding \$21.2 billion in deposits including locations in the Alpena, Bay City-Saginaw, Gladwin-Midland, Ludington, and Traverse City markets.

Huron National Bancorp, Inc. is the holding company of Huron State Bank, headquartered in Rogers City, Michigan. As of June 30, 2020, Huron State Bank had total assets of \$64.3 million, total U.S. deposits of \$54.3 million, total loans of \$34.4 million, and a C&I loan-to-total assets ratio of 1.98%. While its C&I ratio is currently just below 2.0%, this reflects recent asset growth unmatched by C&I loan growth – as of December 31, 2019, its ratio of C&I loans to assets was 2.3%. Assets have grown 10% since June 30, 2020, while deposits grew another 12%.

CNB Corporation is the holding company for Citizens National Bank of Cheboygan, which offers a full range of business and retail banking products including wealth management and cash management services.²¹¹ CNB has eight full-service branches, two drive-thru locations, and a loan office in northern Michigan. As of June 30, 2020, Citizens National Bank had total assets of \$363.4 million, total U.S. deposits of \$328.4 million, total loans of \$181.4 million, and a C&I loan-to-total assets ratio of 9.3%. From

²⁰⁸ PNC Corporate Overview, <https://www.pnc.com/en/about-pnc/company-profile/corporate-overview.html?lnksrc=topnav>.

²⁰⁹ PNC Annual Report, *supra* note 205 ii.

²¹⁰ Press Release, PNC Financial Services, PNC Completes Acquisition of National City (Dec. 31, 2008), <https://pnc.mediaroom.com/index.php?s=3473&item=74243>.

²¹¹ See Citizens National Bank, <https://www.cnbismybank.com/>.

2017 to September 2020, assets have grown 37.7% and deposits have grown 39%, while C&I loans have nearly quadrupled (including PPP loans).

6. Bay City-Saginaw, Michigan Banking Market²¹²

No divestitures are warranted in the Bay City-Saginaw market. With the proper inclusion of credit unions, concentration levels are below the safe harbor threshold. Ten credit unions meet the Board's test for 50% inclusion and another two warrant 100% inclusion. Taking these credit unions into account, the proposed merger falls within the safe harbor with the deposit HHI increasing 427 points to 1,244. The parties' combined share is 29.3%. In consideration of the additional mitigating factors discussed below, the proposed transaction will not result in a substantial lessening of competition in the Bay City-Saginaw market.

A. At Least Ten Credit Unions Warrant Inclusion at 50% of Deposits and Two Warrant Inclusion at 100% of Deposits

Credit unions are highly active in Bay City-Saginaw; 23 credit unions operate a total of 73 offices in the market, and 16 of these are headquartered there. Altogether, credit unions hold 45.7% of total market deposits — more than five times the national share.

Ten credit unions meet the Board's criteria for inclusion at 50% weighing of deposits: Wildfire Credit Union, Jolt Credit Union, Wanigas Credit Union, Team One Credit Union, United Financial Credit Union, Lake Michigan Credit Union, United Bay Community Credit Union, Genisys Credit Union, Financial Plus Credit Union, and Security Credit

²¹² The Bay City-Saginaw Banking Market is defined as Bay, Saginaw, Tuscola (less Elmwood and Elkland townships), and Arenac (less Mason, Turner, and Whitney townships) Counties within Michigan.

Union.²¹³ And two commercially active institutions, ELGA Credit Union and Frankenmuth Credit Union, discussed below, warrant inclusion at 100% of deposits. Many of these institutions have experienced extraordinary growth. Indeed, several grew both assets and deposits by well over 100% since 2015.

With the inclusion of these credit union deposits, the deposit HHI is below safe harbor levels, increasing 427 points to 1,244. Moreover, even if the Board credited ELGA and Frankenmuth at only 50% of deposits, concentration levels would still be below safe harbor levels, increasing 479 points to 1,308.

Name	Total Assets (\$M)	Asset Growth (2015-Q2 2020)	Total Deposits/ In-Market (\$M)	Deposit Growth (2015-Q2 2020)	# of Branches/ # In-Market [^]	Network Member -ships	Full Range of Retail Products (Y/N)**	Advertises Business Products/ Services (Y/N)
Included at 50% Weight								
Wildfire CU	\$951.0	36.7%	\$833.4 / \$625.1	37.5%	4 / 3	CO-OP	Y	Y
	Live, work, worship, or attend a school in the State of Michigan (100% of Bay City-Saginaw market)							
	www.wildfirecu.org							
Jolt CU	\$385.7	14.4%	\$ 339.9 / \$339.9	13.7%	5 / 5 *	Alliance One CO-OP	Y	Y
	Live, work, worship, or attend school in Bay, Saginaw, Midland, Gratiot, Gladwin, Isabella, Clare, Arenac, Tuscola, Huron, Sanilac, Osceola, Wexford, Mecosta, Montcalm, Iosco, Ogemaw, Roscommon, Missaukee counties in Michigan (100% of Bay City-Saginaw market)							
	www.cathfcu.com							
Wanigas CU	\$376.9	23.0%	\$321.0 / \$321.0	24.1%	4 / 4 *	Alliance One CO-OP	Y	N
	Live, work, worship, attend school or have a business or other legal entities located within any county in the State of Michigan's Lower Peninsula (100% of Bay City-Saginaw market)							
	www.wanigas.com							
Team One CU	\$646.8	43.2%	\$572.3 / \$238.5	44.8%	12 / 5 *	CO-OP	Y	Y
	Live, work, worship or attend school in Michigan (100% of Bay City-Saginaw market)							

²¹³ While we have conservatively used a cut-off of 80% to represent access to the majority of the residents of the market, another four credit unions, which are accessible to 70% to 76% of the market's population, Copoco Community Credit Union (76%), FinancialEdge Community Credit Union (76%), Family First Credit Union (70%), and Lake Huron Credit Union (70%), should arguably be weighted at 50% of deposits. The first two are discussed in more detail below. Appropriately including these credit unions would only further dilute concentration in the market.

Name	Total Assets (\$M)	Asset Growth (2015-Q2 2020)	Total Deposits/ In-Market (\$M)	Deposit Growth (2015-Q2 2020)	# of Branches/ # In-Market^	Network Member -ships	Full Range of Retail Products (Y/N)**	Advertises Business Products/ Services (Y/N)
www.teamonecu.org								
United Financial CU	\$261.2	40.5%	\$232.4 / \$232.4	38.5%	6 / 6 *	CO-OP	Y	Y
	Live, work, worship or attend school within any county in the State of Michigan's Lower Peninsula (100% of Bay City-Saginaw market)							
	unitedfinancialcu.org							
Lake Michigan CU	\$8,434.4	106.3%	\$7,013.3 / \$129.9	123.7%	54 / 1	Allpoint	Y	Y
	Live, work, or worship anywhere in Michigan's Lower Peninsula or in Florida; or contribute \$5 to ALS Foundation (100% of Bay City-Saginaw market)							
	lmcu.org							
United Bay Community CU	\$218.2	16.6%	\$197.6 / \$118.5	14.0%	5 / 3	CO-OP	Y	Y
	Live, work, worship or attend schools in Michigan (100% of Bay City-Saginaw market)							
	www.ubccu.org							
Genisys CU	\$3,282.0	63.9%	\$2,740.0 / \$97.9	64.4%	28 / 1	CO-OP	Y	Y
	Live in Michigan or select Minnesota and Pennsylvania counties (100% of Bay City-Saginaw market)							
	www.genisyscu.org							
Financial Plus CU	\$662.3	44.3%	\$569.6 / \$71.2	46.2%	8 / 1	--	Y	Y
	Military; or live, work, worship or attend school in Alcona, Alpena, Antrim, Arenac, Bay, Benzie, Charlevoix, Cheboygan, Clare, Crawford, Emmet, Genesee, Gladwin, Grand Traverse, Gratiot, Ingham, Iosco, Isabella, Kalkaska, Lapeer, Leelanau, Livingston, Macomb, Midland, Montmorency, Oakland, Ogemaw, Oscoda, Otsego, Presque Isle, Roscommon, Saginaw, Shiawassee, or Tuscola counties in Michigan (100% of Bay City-Saginaw market)							
	www.myfpcu.com							
Security CU	\$521.4	28.3%	\$470.4 / \$39.2	28.5%	12 / 1	CO-OP Alliance One	Y	Y
	Live, work, worship, or attend school in, or businesses or other legal entities located in any county within the state of Michigan and select counties in Ohio (100% of Bay City-Saginaw market)							
	www.securitycu.org							
Included at 100% Weight (discussed below)								
Frankenmuth CU	\$865.2	110.6%	\$754.3 / \$617.1	113.8%	23 / 18 *	Xtend	Y	Y - 2.7% C&I
	Live, work, worship, or was educated in the State of Michigan (100% of Bay City-Saginaw market)							
	www.frankenmuthcu.org							
ELGA CU	\$966.1	120.5%	\$817.7 / \$62.9	115.2%	13 / 1	CO-OP Money-Pass	Y	Y - 2.7% C&I
	Live, work, worship, volunteer, or attend school within Genesee, Saginaw, Lapeer, Shiawassee, Oakland, and Livingston Counties and any person making a \$25.00 donation to the Salvation Army Bed and Bread Program (100% of Bay City-Saginaw market)							
	www.elgacu.com							
Mitigating Factors Not Included in Analysis (Copoco & FinancialEdge discussed below)								

Name	Total Assets (\$M)	Asset Growth (2015-Q2 2020)	Total Deposits/ In-Market (\$M)	Deposit Growth (2015-Q2 2020)	# of Branches/ # In-Market^	Network Member -ships	Full Range of Retail Products (Y/N)**	Advertises Business Products/ Services (Y/N)
Copoco Community CU	\$107.8	7.0%	\$97.3 / \$97.3	7.2%	3 / 3 *		Y	Y
	Live, work, worship, and/or attend school in Bay, Arenac, Midland, Saginaw, Isabella, and Gladwin counties, Michigan (~76% of Bay City-Saginaw market)							
	www.copoco.org							
FinancialEdge Community CU	\$109.6	27.0%	\$97.0 / \$97.0	26.1%	2 / 2 *	CO-OP	Y	Y
	Reside, employed, or worship in Arenac, Bay, Midland, or Saginaw counties in Michigan (~76% of Bay City-Saginaw market)							
	www.financialedgeccu.org							
Family First CU	\$85.5	6.7%	\$77.2 / \$77.2	7.7%	3 / 3 *	--	Y	Y
	Live, work, worship, or attend school in Saginaw, Bay, Midland, or Genesee Counties (~70% of Bay City-Saginaw market)							
	www.fam1st.com							
Lake Huron CU	\$61.1	32.4%	\$53.1 / \$53.1	29.2%	2 / 2 *	Xtend	Y	N
	Live, work, worship, attend school in Saginaw, Bay, or Midland counties; or employed in various industries (~70% of Bay City-Saginaw market)							
	www.lhcu.org							
North Central Area CU	\$135.0	26.7%	\$121.0 / \$90.7	26.4%	4 / 1	Xtend CO-OP	Y	N
	Live, work, worship, volunteer, or attend school in the counties of: Alcona, Alpena, Antrim, Arenac, Bay, Benzie, Charlevoix, Cheboygan, Clare, Crawford, Emmet, Gladwin, Grand Traverse, Huron, Iosco, Isabella, Kalkaska, Lake, Leelanau, Manistee, Mason, Mecosta, Midland, Missaukee, Montmorency, Newaygo, Oceana, Ogemaw, Osceola, Oscoda, Otsego, Presque Isle, Roscommon, Sanilac, Tuscola, and Wexford in the state of Michigan (~55% of Bay City-Saginaw market)							
	www.ncacu.org							
Great Lakes FCU	\$54.3	26.0%	\$48.5 / \$48.5	24.8%	3 / 3 *	Xtend	Y	N
	Live, work, or worship in Bay, Gladwin, Midland, Tuscola counties or the townships of Birch Run and Taymouth in Saginaw County (~51% of Bay City-Saginaw market)							
	www.greatlakesfcu.com							
First Area CU	\$35.0	22.2%	\$31.1 / \$31.1	22.9%	2 / 2 *	--	Y	N
	Live, work, worship, or attend school in Saginaw County, Michigan (~45% of Bay City-Saginaw market)							
	www.firstareacu.com							
Sunrise Family CU	\$128.2	20.2%	\$115.0 / \$115.0	20.3%	3 / 3 *	CO-OP	Y	N
	Live, work, attend school, or worship in Bay or Arenac Counties, Michigan (~31% of Bay City-Saginaw market)							
	www.sunrisefamilycu.org							
Northland Area FCU²¹⁴	\$495.0	53.5%	\$114.3 / \$98.8	50.8%	13 / 1	CO-OP	Y	Y - 2.0% C&I

²¹⁴ Profiled above, *supra* notes 127-141.

Name	Total Assets (\$M)	Asset Growth (2015-Q2 2020)	Total Deposits/ In-Market (\$M)	Deposit Growth (2015-Q2 2020)	# of Branches/ # In-Market^	Network Member -ships	Full Range of Retail Products (Y/N)**	Advertises Business Products/ Services (Y/N)
	Live, work, worship, or attend school in and businesses and other legal entities located in Alcona, Alpena, Arenac, Crawford, Iosco, Montmorency, Ogemaw, Oscoda, Otsego or Roscommon Counties in Michigan (7% of Bay City-Saginaw market)							
	www.northlandcu.com							
Health Advantage FCU	\$160.6	27.8%	\$141.5 / \$141.5	26.8%	2 / 2 *	CO-OP	Y	Y - 2.0% C&I
	Employees, independent contractors, or self-employed persons who regularly work in the Health Care Industry in the state of Michigan (unknown)							
	www.Healthadvantagecu.com							
Saginaw County Employees CU	\$42.4	25.7%	\$38.3 / \$38.3	25.1%	1 / 1 *	CO-OP Alliance One	Y	N
	Select employee groups in Saginaw County, Michigan (unknown)							
	www.scecu.net							

[^]All branches are full-service and street-level (often with drive-thru lanes) unless otherwise noted.

* Including headquarters location.

** Offers checking, savings, CD deposit accounts; mortgages, auto, and consumer loans; and credit cards.

Note: Wildfire also has two locations in high schools in this market that are not full-service branches and are thus not included in overall or in-market branch counts. Total branch counts for Lake Michigan, Genisys, and Security include offices outside of Michigan.

Frankenmuth Credit Union (“Frankenmuth”) is a Frankenmuth, Michigan based credit union with 23 street-level branches—18 of which are located in the Bay City-Saginaw market and one in the Gladwin-Midland market.²¹⁵ The Bay City-Saginaw branches hold an estimated \$617.2 million in deposits (or 10.1% share). It has been expanding rapidly both organically and by acquisition: Since 2015, its assets and deposits have more than doubled and its total membership has increased 59%.

Voted by Forbes 2020 as the Best Michigan Credit Union,²¹⁶ Frankenmuth offers the full range of retail and commercial banking products, including checking accounts,

²¹⁵ Frankenmuth branch counts exclude six part-time locations at schools, a retirement community, and a church as well as Virtual Branches (ATM with a live teller). For purposes of allocating June 2020 deposits to branches, Frankenmuth’s mobile limited branch in Bad Axe was excluded as it did not open as a full-service physical location until October 2020. Likewise Frankenmuth’s branch in Linwood opened after June 30, 2020 and was excluded from allocations.

²¹⁶ Frankenmuth Credit Union, About, <https://frankenmuthcu.org/about/>.

savings accounts, CDs, and credit cards.²¹⁷ The credit union also has an extensive loan offering for retail and commercial customers and includes equity lines, business and SBA loans, construction loans, and education loans.²¹⁸ Frankenmuth’s over 50,000 members can manage and review these products remotely on Frankenmuth’s online banking solution, which allows members to transfer money, review account history, make loan and credit card payments and deposit checks remotely.²¹⁹

For commercial members, in particular, “Frankenmuth Credit Union offers a full line of business services for any size company or organization” including business lending, checking, investment and insurance services, employee direct deposits, health savings account programs, and business merchant services.²²⁰ Many of Frankenmuth’s branches also include safety deposit box services and most have night drop boxes.²²¹ Frankenmuth also has a dedicated business department made up of 10 employees,²²² up from

²¹⁷ Frankenmuth Credit Union, Membership Handbook, <https://www.flipsnack.com/FrankenmuthCreditUnion/fcu-member-handbook/full-view.html>.

²¹⁸ Frankenmuth Credit Union, Membership Handbook, <https://www.flipsnack.com/FrankenmuthCreditUnion/fcu-member-handbook/full-view.html>.

²¹⁹ Frankenmuth Credit Union, Membership Handbook, <https://www.flipsnack.com/FrankenmuthCreditUnion/fcu-member-handbook/full-view.html>.

²²⁰ Frankenmuth Credit Union, Membership Handbook, <https://www.flipsnack.com/FrankenmuthCreditUnion/fcu-member-handbook/full-view.html>.

²²¹ Frankenmuth has seven branches with safety deposit boxes: FCU Main, Birch Run Meijer, Bridgeport, Linwood, Midland, Otisville and Downtown Vassar, and 22 branches with night drop boxes: FCU Main, Bad Axe, Bay City, Birch Run Meijer, Birch Run Main, Bridgeport, Caro, Cass City, Elkton, Essexville, Freeland, Linwood, Midland, Millington, Otisville, Reese, Richville, Saginaw Town & Country, SVRC, Thomas Township, Vassar Main, and Vassar Downtown. Frankenmuth Credit Union, FAQs – Where Can I Find an FCU ATM, <https://frankenmuthcu.org/contact-fcu/#1569428064229-b48af1d4-2ccb>

²²² Frankenmuth Credit Union, Business Lending, <https://frankenmuthcu.org/business/#bizlending>. Among these dedicated business-oriented employees are Jim Bickel (Vice President Business Operations) who brings more than 25 years of commercial lending experience at local commercial banks (Jim Bickel, LINKEDIN, <https://www.linkedin.com/in/jim-bickel-88146810>) and Larry Ehrlinger (Business Development) who touts his 30 years of experience as a commercial banker including 11 years as a Business Banker at Huntington (Larry Ehrlinger, LINKEDIN, <https://www.linkedin.com/in/larry-ehrlinger-3599aa9b>).

four in 2018.²²³ To support the rapid commercial loan growth provided by its growing lending team, Frankenmuth partnered with Sageworks to streamline and automate the loan analysis process and better serve its business members.²²⁴ Frankenmuth has a C&I loan-to-asset ratio of 2.7%, a member commercial loan-to-asset ratio of 7.4%, and a dedicated in-house business banking team. As of June 30, 2020, Frankenmuth reported \$32.0 million in 494 PPP loans outstanding, or 3.7% of assets. Combined with its traditional C&I loans, this represents a 6.4% C&I loan-to-asset ratio. Frankenmuth warrants 100% inclusion.

Frankenmuth takes advantage of at least two CUSOs. Credit Union Trust is a special purpose bank in Michigan organized in 2019 by seven area credit unions, including Frankenmuth, that provides members with access to trust and investment-related services.²²⁵ Element 22 Commercial Group LLC is a CUSO that provides underwriting and support services for commercial loans to small banks and credit unions and presently works with 22 area credit unions. In 2019, Element 22 received an injection of capital from 10 credit unions, including Frankenmuth, which now have an equity stake in the company.²²⁶

Finally, Frankenmuth has recently expanded its geographic footprint. In 2018, it acquired a closing Comerica Bank branch location to enter the Gladwin-Midland

²²³ Frankenmuth Credit Union Partners with Sageworks to Optimize Member Business Lending, CUINSIGHT (Dec. 3, 2018), <https://www.cuinsight.com/press-release/frankenmuth-credit-union-partners-with-sageworks-to-optimize-member-business-lending>.

²²⁴ See id.

²²⁵ Peter Strozniak, Credit Union Trust Opens for Business, CREDIT UNION TIMES (May 21, 2019), <https://www.cutimes.com/2019/05/21/credit-union-trust-opens-for-business/>.

²²⁶ Mark Sanchez, Element 22 Raises \$500,000 from 10 Credit Unions, Transitions to CUSO, MiBiz (Sept. 27, 2019), <https://mibiz.com/sections/finance/element-22-raises-500-000-from-10-credit-unions-transitions-to-cuso>.

market,²²⁷ and it most recently opened its full-service Bad Axe branch in October 2020 (replacing a limited purpose mobile facility).²²⁸ It has also expanded within its historic Bay City-Saginaw footprint, opening a new branch in the Saginaw Vocational Rehabilitation Center in 2018,²²⁹ one in Mayville in 2019,²³⁰ and another in Saginaw County in 2019.²³¹ In total, Frankenmuth has opened eight new full-service branches in the Bay City-Saginaw market since 2016. As of June 30, 2020, Frankenmuth has the largest branch network in the market of any bank or credit union.

In view of the above, Frankenmuth warrants inclusion at 100% of deposits in Bay City-Saginaw.

ELGA Credit Union (“ELGA”) is a Burton, Michigan-based credit union serving nearly 75,000 members with 13 street-level branches²³²—including one in the Bay City-Saginaw market holding an estimated \$62.9 million in deposits.

ELGA offers a full range of retail and business banking products and services, including online and mobile banking offerings.²³³ Retail customers have access to ELGA’s

²²⁷ John Kennett, Frankenmuth Credit Union Buys Former Comerica Branch, MIDLAND DAILY NEWS (Jan. 16, 2018), <https://www.ourmidland.com/news/article/Frankenmuth-Credit-Union-buys-former-Comerica-12500275.php>.

²²⁸ Robert Creenan, Frankenmuth Credit Union Bad Axe Location Opens, HURON DAILY TRIBUNE (Oct. 19, 2020), <https://www.michigansthum.com/news/article/Frankenmuth-Credit-Union-Bad-Axe-location-opens-15658646.php>.

²²⁹ Frankenmuth Credit Union Adds Branch to Mixed-Use Facility, CUIINSIGHTS (July 16, 2018), <https://www.cuinsight.com/press-release/frankenmuth-credit-union-adds-branch-to-new-mixed-use-facility>.

²³⁰ Frankenmuth Credit Union, Facebook (Feb. 27, 2019), <https://www.facebook.com/fmuthcu/posts/today-we-formally-opened-our-newest-branch-in-mayville-located-inside-wingerts-f/10156743582185590/>.

²³¹ Isis Simpson-Mersha, New Frankenmuth Credit Union Branch Coming to Gratiot Road in Saginaw County, MLIVE.COM (Dec. 28, 2018), <https://www.mlive.com/news/saginaw-bay-city/2018/12/new-frankenmuth-credit-union-branch-coming-to-gratiot-road-in-saginaw-county.html>.

²³² This count excludes its headquarters which houses a call center, but is located next to an included full-service branch. The total count also excludes a proposed branch to open in Grand Blanc in 2021.

²³³ ELGA Credit Union, Online & Mobile Banking, <https://www.elgacu.com/learn/mobile-banking>.

line of checking accounts, as well as loan products such as vehicle loans, mortgage and home equity loans, student loans and credit cards.²³⁴ ELGA’s “full line of business” products and services include checking accounts, commercial loans (*e.g.*, line of credit, equipment loans, real estate and construction loans, SBA loans), and credit cards. Business services include ACH direct deposit, business teller windows for express drop off service, credit card processing, and mobile deposits.²³⁵ To provide these products and services, ELGA has a staff dedicated to commercial customers.²³⁶ As of June 30, 2020, ELGA reported \$22.9 million in 395 PPP loans, or 2.4% of assets. Combined with its traditional C&I loans (2.7% of assets), this represents a 5.0% C&I loan-to-asset ratio. Its member commercial loan-to-asset ratio is 9.5%. ELGA merits 100% inclusion of deposits.

In recent years, ELGA has been expanding both its product offerings and geographic footprint. In 2019, ELGA joined six other peer credit unions to create Credit Union Trust, a special purpose bank in Michigan to provide credit union members with access to trust and investment related services,²³⁷ and, in 2020, an ELGA employee was recognized by the Michigan Credit Union League for her Distinguished Service.²³⁸ In the

²³⁴ ELGA Credit Union, Loans, <https://www.elgacu.com/borrow/>; ELGA Credit Union, Checking, <https://www.elgacu.com/bank/checking/>.

²³⁵ ELGA Credit Union, Business, <https://www.elgacu.com/business/>.

²³⁶ See, e.g., ELGA Credit Union, Shane Hunter, Commercial Services Manager, <https://www.elgacu.com/staff/shanehunter/>; ELGA Credit Union, Frank Piccione, Commercial Loan Officer, <https://www.elgacu.com/staff/frankpiccione/>; ELGA Credit Union, Brad Bartholomew, Commercial Loan Officer, <https://www.elgacu.com/staff/bradbartholomew/>; ELGA Credit Union Commercial Loan Processor, <https://www.elgacu.com/careers/detail/?id=17>; ELGA Credit Union, Credit Analyst, <https://www.elgacu.com/careers/detail/?id=20>.

²³⁷ Peter Strozniak, Credit Union Trust Opens for Business: New CUSO and Special Purpose Bank Offers Trustee and Fiduciary Services for Members, CREDIT UNION TIMES (May 21, 2019), <https://www.cutimes.com/2019/05/21/credit-union-trust-opens-for-business/> (other CU members include Honor Credit Union, Team One Credit Union, Alpena-Alcona Area Credit Union, Frankenmuth Credit Union, Community Choice Credit Union, and Members First Credit Union).

²³⁸ 2020 MCUL and MCFU Awards Honor Michigan Credit Unions and Professionals, MCUL (Feb. 20, 2020), https://www.mcul.org/News?article_id=29585.

last three years, ELGA has opened six new branches: three in 2017, which included the acquisition of Valley State Credit Union in Bay City (marking its entry to the Bay City-Saginaw market),²³⁹ a new, high-tech branch in Flushing, Michigan,²⁴⁰ and a Goodrich branch in a recently closed bank office;²⁴¹ and three in 2019 (Flint, Holly, and Linden, Michigan).²⁴² In 2020, ELGA broke ground on its newest branch to be located in Grand Blanc, Michigan. The site will include a 4,400 square foot, full-service branch with four drive-thru lanes with ATM or teller access, and be home to the credit union's new headquarters, a separate 62,800 square foot facility, which will employ more than 200 ELGA associates. The branch is projected to open in the first quarter of 2021 and the headquarters will be completed later in 2021.²⁴³

As noted above, the Bay City-Saginaw market is below the safe harbor threshold after the reasonable inclusion of credit union deposits, *even* if Frankenmuth and ELGA are weighted at only 50% of deposits. However, the fact that these credit unions are commercially active and meet the DOJ's standard for inclusion should, at the very least, be considered as a significant mitigating factor by the Board.

²³⁹ ELGA Credit Union acquires Valley State Credit Union, CU Insight (Apr. 3, 2017), <https://www.cuinsight.com/press-release/elga-credit-union-acquires-valley-state-credit-union>.

²⁴⁰ ELGA Credit Union opens new high-tech branch in Flushing, ABC12 (June 5, 2017), <https://www.abc12.com/content/news/ELGA-Credit-Union-opens-new-high-tech-branch-in-Flushing-426568341.html>.

²⁴¹ Oxford Leader, Bank Branch to Find New Life As Credit Union (Feb. 8, 2017), <https://oxfordleader.com/bank-branch-to-find-new-life-as-credit-union/>.

²⁴² Winnie Dortch, Elga Credit Union Filling Longtime Dream with New Downtown Flint Branch, ABC12 (Mar. 7, 2019), <https://www.abc12.com/content/news/Elga-Credit-Union-filling-longtime-dream-with-new-downtown-Flint-branch-506836091.html>; Madeline Ciak, ELGA Credit Union Opens New Branch in Holly, NBC25 (Oct. 22, 2019), <https://nbc25news.com/news/local/elga-credit-union-opens-new-branch-in-holly>; Elisse Ramey, ELGA Credit Union Announces New Branches in Genesee, Oakland Counties, ABC12 (Jun. 26, 2019), <https://www.abc12.com/content/news/ELGA-Credit-Union-announces-new-branches-in-Genesee-Oakland-counties-511859352.html>.

²⁴³ Mid-Michigan Now Newsroom, ELGA Credit Union Puts Down New Roots in Grand Blanc, FOX25 (July 17, 2020), <https://nbc25news.com/news/local/elga-credit-union-puts-down-new-roots-in-grand-blanc>.

Several other credit unions are accessible to a substantial portion of the Bay City-Saginaw market and should be appropriately weighted in the Board’s analysis. Two of these are described in more detail here.

Copoco Community Credit Union (“Copoco”) operates three street-level branches in the Bay City-Saginaw market holding \$97.3 million in deposits. Copoco offers the full range of retail and commercial products including checking and savings accounts, CD accounts, credit cards, personal, mortgage, and auto loans, student loans, as well as commercial loans.²⁴⁴ The credit union also offers investment services,²⁴⁵ as well as direct deposit, night deposit boxes, and home and life insurance.²⁴⁶

Copoco membership is open to individuals who live, work, worship or attend school in Bay, Arenac, Midland, Saginaw, Isabella, and Gladwin Counties.²⁴⁷ This list omits Tuscola County, most of which is in the market. Membership is also open to employees of the credit union and immediate family members of any of the foregoing classes of individuals in addition to any person receiving a retirement, pension, social security or similar retirement payment from private or government sources, and lives in, or belongs to a retirement organization in a county contiguous to Bay County (which includes Tuscola County). Based exclusively on residency in the identified counties, Copoco is accessible to approximately 76% of the Bay City-Saginaw market (which includes Tuscola County less Elmwood and Elkland townships). In all likelihood, however, Copoco is accessible to at least 80% or more

²⁴⁴ See generally Copoco Community Credit Union, <https://www.copoco.org/home-page>.

²⁴⁵ See Copoco Community Credit Union, Investment Services, <https://www.copoco.org/member-services/investment-services>.

²⁴⁶ See Copoco Community Credit Union, Members Services, https://www.copoco.org/member-services/convenience-services#night_deposit.

²⁴⁷ See Copoco Community Credit Union, How to Join, <https://www.copoco.org/about-copoco/how-to-join>.

of the market population once consideration is given to those Tuscola residents who work, worship, or attend school in any of the above counties or are otherwise immediate family members of someone who lives, works, worships or attends school in those counties or are retired pensioners living in Tuscola County. Less than 16% of Tuscola’s population at issue need fall in this category for membership to be accessible to more than 80% of the entire Bay City-Saginaw banking market. Plausibly 19% of the population actually meets the retired pensioner criteria.²⁴⁸

FinancialEdge Community Credit Union (“FinancialEdge”) operates two street-level branches in the Bay City-Saginaw market holding \$97.0 million in deposits. FinancialEdge offers the full range of retail and business products and services including checking and savings accounts, including specific such accounts for business customers, CD accounts, credit cards, personal, home, and auto loans, as well as commercial loans.²⁴⁹ FinancialEdge is an authorized SBA lender and further provides commercial customers with numerous commercial services including payroll services and merchant card processing services.²⁵⁰

As with Copoco, FinancialEdge omits Tuscola County from its membership criteria, which otherwise includes all individuals who live, work or worship in Arenac, Bay, Midland or Saginaw counties, or are employees of the credit unions, or are immediate family

²⁴⁸ 21% of the population of Tuscola County is over 65 years old. See U.S. Census Bureau, Tuscola County, Michigan, QuickFacts, <https://www.census.gov/quickfacts/fact/table/tuscolacountymichigan/BZA010218>. And about 90% of individuals over age 65 receive Social Security benefits. See Social Security Administration, Fact Sheet, <https://www.ssa.gov/news/press/factsheets/basicfact-alt.pdf>. Thus at least 19% of the population of Tuscola County may be over 65 and receive retirement payments.

²⁴⁹ See generally FinancialEdge Credit Union, <https://www.financialedgeccu.org/home-page>.

²⁵⁰ FinancialEdge Credit Union, Business FAQs, <http://www.financialedgeccu.org/business-solutions/business-faqs>.

of any such individual.²⁵¹ In addition, membership is open to any person over the age of 55 who receives a retirement annuity, pension, social security, or similar retirement payment from private or government sources, and lives in, or belongs to a retirement organization located in the county, or in a county contiguous to the county where the credit union's main office is located (such as Tuscola). Like Copoco, the omission of Tuscola County from FinancialEdge's county list would appear to limit its coverage to 76% of the Bay City-Saginaw market. This excludes, however, those in Tuscola who work or worship in the identified counties, are qualified family members, or are retired pensioners. As demonstrated for Copoco, sufficient Tuscola residents are very likely eligible for membership such that 80% or more of the market population is eligible for membership in FinancialEdge.²⁵²

B. Competition from Area Banks Will Continue to Constrain the Combined Firm

Several strong regional and local banks operate in the Bay City-Saginaw market and will continue to constrain the combined bank post-merger.

PNC Financial Services Group, profiled above,²⁵³ has seven branches in Bay City-Saginaw holding aggregate \$568.1 million in deposits and a 9.3% share. PNC also has a comparable 9.5% share of small business loan originations.

Independent Bank Corp., profiled below, has 11 offices and \$472.1 million in deposits in the Bay City-Saginaw banking market holding a 7.7% share. It reported \$9.0 million in small business loan originations in 2019 for a 4.2% share. Its deposits in the market have grown 21% since 2016 with 11% growth in the last year.

²⁵¹ FinancialEdge Credit Union, About Us, <https://www.financialedgeccu.org/about>.

²⁵² See comparable analysis for Copoco at *supra* note 248.

²⁵³ See *supra* notes 206-210.

JPMorgan Chase & Co., profiled above,²⁵⁴ operates three branches in Bay City-Saginaw, holding \$377 million in deposits and having a 6.2% share. JPMC’s market deposits grew 26% since 2016 including 22% in the last year.

1st State Financial, Ltd. (“1st State”), profiled below, has four branches (including its headquarters) in the Bay City-Saginaw market. Each branch was opened *de novo* by the bank since 2004, including the latest in Bay City in 2013 in a former Bank of America location.²⁵⁵ The branches hold \$338.1 million in deposits or 5.5% of the market. Yet due to its strong commercial lending focus, 1st State originated the largest estimated volume of small business loans in 2019 with a 24.4% share of the market – four times its deposit share and greater than the combined Huntington and TCF share.

Fentura Financial, Inc. (“Fentura”), profiled below, has five branches holding \$171.6 million in deposits (with a 2.8% share) in the Bay City-Saginaw market. Its estimated share of small business loans (6.6%) exceeds its deposit share ranking fourth in the market — larger than Huntington’s share. Fentura entered this market in 2016 by acquiring Community Bancorp.²⁵⁶ The acquisition doubled Fentura’s size and included five offices and a loan production office in the Bay City-Saginaw market.²⁵⁷ Fentura has since

²⁵⁴ See *supra* notes 180-186.

²⁵⁵ Second Wave Mid Michigan, First State Bank Expands in Bay City (Oct. 1, 2013), <https://www.secondwavemedia.com/mid-michigan/devnews/baycitybank100113.aspx>.

²⁵⁶ Press Release, Fentura Financial, Inc., Fentura Financial, Inc. Completes Acquisition of Community Bancorp, Inc. (Jan. 6, 2017), <https://www.globenewswire.com/news-release/2017/01/06/904153/0/en/Fentura-Financial-Incorporated-Completes-Acquisition-of-Community-Bancorp-Incorporated.html>.

²⁵⁷ The loan production office had been opened in 2013 as a result of a settlement between Community State Bank and the Department of Justice to better serve the majority African-American areas in and around Saginaw. See Press Release, U.S. Dep’t of Justice, Justice Department Reaches Settlement with Community State Bank Regarding Alleged Lending Discrimination in Michigan (Jan. 15, 2013), <https://www.justice.gov/opa/pr/justice-department-reaches-settlement-community-state-bank-regarding-alleged-lending>.

announced plans to open a *de novo* full-service branch in Saginaw in 2021.²⁵⁸ CEO, Ronald Justice, noted that “[t]here has been tremendous growth in downtown Saginaw, and our commitment to the betterment of the communities we serve means the expansion into this downtown location was an easy decision for us.” Notably, Fentura’s commitment to servicing commercial customers is evidenced by the fact that its C&I loans have grown nearly six-fold since 2017.

Isabella Bank Corporation (“Isabella”), profiled below, has four offices in the Bay City-Saginaw market holding \$98.2 million in deposits. Isabella entered the market in 2000 with the acquisition of Farmers State Bank of Beckenridge. It expanded in 2012 with a *de novo* branch in Freeland, and acquired a branch in Saginaw from Flagstar Bank FSB in 2015.²⁵⁹ In 2016, Isabella opened a loan production office to offer mortgage, commercial, construction, consumer, and agricultural loans to the residents and businesses of downtown Saginaw,²⁶⁰ which was converted into a branch in 2018.²⁶¹ The bank’s deposits have steadily grown 26% in the market since 2016. With less than a 2.0% share of deposits in the market, Isabella garnered more than three times that share (5.9%) in small business loan originations.

²⁵⁸ The State Bank, The State Bank Announces New Saginaw Locations, <https://www.thestatebank.com/the-state-bank-announces-new-saginaw-location/>.

²⁵⁹ Press Release, Isabella Bank Corp., Isabella Bank Opens New Office in Saginaw, MI (Aug. 3, 2015), <https://ir.isbellabank.com/news-market-data/news-releases/press-release/2015/Isabella-Bank-Opens-New-Office-in-Saginaw-MI/default.aspx> and Press Release, Isabella Bank Corp., Isabella Bank Receives Regulatory Approval to Purchase Saginaw Branch from Flagstar Bank, FSB (July 2, 2015), <https://www.prnewswire.com/news-releases/isabella-bank-receives-regulatory-approval-to-purchase-saginaw-branch-from-flagstar-bank-fsb-300108592.html>.

²⁶⁰ Isabella Bank Corp. Annual Report 2016 at 3, https://www.annualreports.com/HostedData/AnnualReportArchive/i/OTC_ISBA_2016.pdf.

²⁶¹ Midland Daily News, Isabella Bank Expands Saginaw Loan Production Office Into Full Service Branch (June 9, 2018), <https://www.ourmidland.com/business/article/Isabella-Bank-expands-Saginaw-nbsp-loan-12980527.php>.

Fifth Third Bancorp, profiled above,²⁶² has two branches in the Bay City-Saginaw market, which hold \$92.1 million in deposits (up 31.5% since 2016) for a 1.5% deposit share. In 2019, Fifth Third originated 3.4% of small business loans in the market — more than twice its deposit share.

Mercantile Bank Corporation, profiled above,²⁶³ has \$59 million in deposits at two offices in the Bay City-Saginaw market for about a 1% share. Mercantile also generated a 1.7% share of small business loan originations in 2019. While its share is small, Mercantile's deposits grew 39.0% from 2016 to 2020.

Several other banks — Citizens Financial Group, Thumb Bancorp, Freeland State Bank, Horizon, Huron Community Financial Services, Inc., Mayville Financial Corp., Northstar Financial Group and TriCounty Bancorp — collectively operate 11 local branches holding \$369.0 million in deposits. Thumb Bancorp and Northstar Financial Group, in particular, are also active small business lenders in the market. The sheer number of banking and credit union competitors in the Bay City-Saginaw market should be considered a mitigating factor in the Board's analysis of the likely competitive effects of the proposed transaction in Bay City-Saginaw.

C. Small Business Lending in Bay City-Saginaw is Not Concentrated

Small business lending is below safe harbor levels increasing 199 points to 1,352. 1st State leads small business loan originations with an estimated share of 24.4% by volume, more than the parties' combined and several times its deposit share. TCF trails 1st State with a share of 16.3%. PNC (9.5%) and Fentura (6.6%, twice its deposit share) are also

²⁶² See *supra* notes 109-114.

²⁶³ See *supra* notes 115-121.

active and larger than Huntington, which ranks fifth with a share of 6.1%, comparable to Isabella's share of 5.9% (despite a deposit share of only 1.7%). Other smaller, but notable, small business loan originators include Thumb Bancorp (est. 4.7%), Independent (4.2%), Northstar Financial Group (est. 3.8%), Fifth Third (3.4%) and JPMC (3.2%). Importantly, these shares exclude entirely small business lending by credit unions of which there are many in the Bay City-Saginaw market as detailed above, including commercially active Frankenmuth and ELGA.

D. Bay City-Saginaw is an Attractive Market for Entry

The Bay City-Saginaw market, which includes Bay and Saginaw Counties as well as parts of Tuscola and Arenac Counties, is much less rural and does not attract the same seasonal crowds as the other issue markets, with the exception perhaps of the neighboring Gladwin-Midland market.

“Saginaw County is home to a large number of multinational corporations, mid-size manufacturing companies, agricultural businesses, retailers and startups,”²⁶⁴ and major market employers include Dow Chemical, McLaren-Bay Region, Michigan Sugar, General Motors, Nexteer Corporation, and S.C. Johnson.²⁶⁵ Manufacturing, healthcare, and the service industries are thus quite important to the market. Tourism is also a key industry: Frankenmuth City, located in Saginaw County, is known as “Michigan’s Little Bavaria,” and attracts more than 3 million visitors a year, hosting Oktoberfest, a Bavarian Festival, an Auto

²⁶⁴ See SaginawFuture, News & Resources, <https://www.saginawfuture.com/doing-business/top-industries>.

²⁶⁵ See Bay County Employers, BayFuture, Inc., <https://bayfuture.com/welcometobaycounty/bay-county-employers/>; Great Lakes Bay Region, Largest Employers, <https://www.greatlakesbay.com/largest-employers>.

Fest, and Christmas year-round.²⁶⁶ And Arenac County is home to the Saganing Eagles Landing Casino, which also attracts numerous tourists year-round and supports a robust service industry.²⁶⁷

Against this backdrop, the Bay City-Saginaw market has experienced robust banking entry and expansion in recent years. In the past five years, one bank and one credit union have entered, and multiple institutions have expanded their branch networks in the market. In 2016, Tri-County Bank entered the market *de novo* in response to an invitation from a Kingston business leader to do so.²⁶⁸ In 2018, Isabella Bank opened a new branch in the market,²⁶⁹ and The State Bank has announced plans to open a new full-service branch in the market in 2021.²⁷⁰ As described above, credit unions are active in the market and have also expanded in recent years. Lake Michigan Credit Union entered the market *de novo* in 2017.²⁷¹ United Financial Credit Union will soon open its seventh market office.²⁷² Finally, as previously discussed, ELGA entered by acquiring another credit union, and Frankenmuth

²⁶⁶ See Frankenmuth Free Travel Guide, <https://www.frankenmuth.org/plan/free-travel-guide/>; Frankenmuth, Celebrating 175 Years of the Community of Frankenmuth, <https://www.frankenmuth.org/blog/celebrating-175-years-of-the-community-of-frankenmuth/>.

²⁶⁷ See Arenac County, Arenac County Attractions, <https://www.arenacountymi.gov/Recreation/Arenac-County-Attractions.aspx>.

²⁶⁸ See John Schneider, Tri-County Bank Moves into Tuscola County, Baking Returns to Kingston, TUSCOLA TODAY (Oct. 15, 2016), <https://tuscolatoday.com/2016/10/15/tri-county-bank-moves-into-tuscola-county-banking-returns-to-kingston/>.

²⁶⁹ Midland Daily News, Isabella Bank Expands Saginaw Loan Production Office Into Full Service Branch (June 9, 2018), <https://www.ourmidland.com/business/article/Isabella-Bank-expands-Saginaw-nbsp-loan-12980527.php>.

²⁷⁰ The State Bank, The State Bank Announces New Saginaw Locations, <https://www.thestatebank.com/the-state-bank-announces-new-saginaw-location/>.

²⁷¹ Press Release, Lake Michigan Credit Union, Lake Michigan Credit Union Announces Branch Opening in Saginaw, Michigan, <https://www.cuinsight.com/press-release/lake-michigan-credit-union-announces-branch-opening-saginaw-michigan>.

²⁷² Press Release, United Financial Credit Union, New United Financial Credit Union Location Coming to Bay County Fall 2020 (Sept. 12, 2019), <https://www.unitedfinancialcu.org/new-bay-city-office/>.

has been rapidly expanding in the market, having opened a new branch in 2016, two in 2017, two in 2018, one in 2019, and two in 2020.

E. Bay City-Saginaw Conclusion

Deposit concentration in Bay City-Saginaw, after accounting for the reasonable inclusion of credit unions under Board assumptions, is below the safe harbor threshold. Small business lending is not concentrated and will remain so after the merger. Moreover, numerous strong local banks and credit unions will continue to compete in the market including six with over 5% deposit shares.²⁷³ This further evidences that the proposed transaction will not substantially lessen competition in the Bay City-Saginaw market. Thus, no divestiture is warranted.

F. Bay City-Saginaw Bank Profiles

Independent Bank Corp. (“Independent”) is the parent company for Independent Bank, headquartered in Grand Rapids, Michigan. Independent has 60 full-service banking centers and two drive-thru facilities across Michigan’s Lower Peninsula including offices in the Bay City-Saginaw and Traverse City markets.²⁷⁴ Independent also has nine mortgage loan centers in Michigan and Ohio, including one in the Cadillac market and a commercial loan center in Grand Rapids. As of June 30, 2020, Independent Bank had total assets of \$4.0 billion, total U.S. deposits of \$3.6 billion, total loans of \$2.9 billion, and a C&I loan-to-total assets ratio of 13.0%. Independent offers a full range of retail and commercial banking products including treasury management services, wealth management,

²⁷³ Excluding all credit unions, two competing banks will have shares over 10%.

²⁷⁴ Independent opened its 61st office in Brighton in the Detroit market in December 2020 in addition to its retail loan production office that was opened in 2017. See Press Release, Independent Bank, Independent Bank to Open Full-Service Branch in Brighton (Nov. 9, 2020), <https://www.independentbank.com/in-the-news/independent-bank-to-open-full-service-branch-in-brighton>.

private banking, and insurance.²⁷⁵ PPP loans drove an increase in C&I lending of over \$200 million since 2019 – a 67.4% increase.

Independent advertises “we have the financial strength to provide larger business loans” served by more than 40 commercial bankers supported by their regional managers.²⁷⁶ In addition to traditional commercial lending, Independent made over \$250 million in PPP loans in 2020²⁷⁷ and was named 504 Third Party Lender of the Year in 2019 by the SBA.²⁷⁸ In 2018, Forbes Magazine named Independent a “Best-In-State Bank.”²⁷⁹ In its 2019 Annual Report, President and CEO William B. Kessel noted “We are in a period of rapid change with innovations in new technology; this creates opportunities to improve the customer experience and become more efficient. I would characterize our market as highly competitive, as it includes traditional players and increasing new entrant Fintech players who can either compete (at various points in the financial service purchasing cycle) or partner with traditional players.”²⁸⁰

²⁷⁵ Independent Bank, Business Banking, <https://www.independentbank.com/business-banking>.

²⁷⁶ Independent Bank, Commercial Bankers, <https://www.independentbank.com/business/commercial-lending/commercial-bankers/?page=1>.

²⁷⁷ Press Release, Independent Bank, Independent Bank Supports Local Businesses with SBA’s PPP Loan Program (May 13, 2020), <https://www.independentbank.com/in-the-news/local-business-ppp-support>.

²⁷⁸ Press Release, Independent Bank, Independent Bank Named SBA 504 Third Part Lender of the Year (July 9, 2019), <https://www.independentbank.com/in-the-news/sba-504-third-party-lender-of-the-year>.

²⁷⁹ Press Release, Independent Bank, Independent Bank Named One of Best-In-State Banks by Forbes Magazine (Aug. 8, 2018), <https://www.independentbank.com/in-the-news/why-independent/in-the-news/forbes-magazine>.

²⁸⁰ Independent Bank Corp., 2019 Annual Report at 3, https://s26.q4cdn.com/362478116/files/doc_financials/2019/ar/2019-annual.pdf.

In 2018, Independent acquired TCSB Bancorp (Traverse City State Bank) to further expand into the Traverse City, Michigan banking market.²⁸¹ Brad Kessel, the President and Chief Executive Officer of Independent Bank Corporation, commented: “The transaction with TCSB will strengthen our current franchise and support our growth in the attractive Traverse City market with full-service banking through five locations.”²⁸² Independent first entered the Traverse City market with a retail loan office in 2017.²⁸³

“Independent Bank looked at this as a growth area and wanted to get involved with it,” said Mortgage Sales Manager Chris Dakoske. Mr. Dakoske, who has worked with several larger banks in the area, said the size of the parent company does not always equate with success, noting that the small staff in Traverse City also helps the office cater to “unique situations” outside of conventional loans.²⁸⁴ Before its acquisition, TCSB had added a branch in the market in 2016 while also relocating its headquarters, which expanded the bank’s presence to five locations.²⁸⁵

As a result of the merger, TCSB was transformed into an even stronger community bank and commercial lender. Historically, TCSB participated with other community banks to extend its legal lending limit, which gave business customers of TCSB access to larger loans to fund growth as the local economy boomed. The merger enabled

²⁸¹ Press Release, Independent Bank Corp., Independent Bank Corp. Announces Agreement to Acquire Traverse City State Bank (Dec. 4, 2017), <https://www.independentbank.com/in-the-news/ibc-announces-agreement-to-acquire-tcsb>.

²⁸² Id.

²⁸³ Independent Bank, Independent Bank Residential Loan Office Opens in Traverse City (Feb. 17, 2017), <https://www.independentbank.com/in-the-news/traverse-city-loan-office-article>.

²⁸⁴ Id.

²⁸⁵ Traverse City State Bank to Open Fifth Branch, THE TICKET (Feb. 29, 2016), <https://www.traveseticker.com/news/traverse-city-state-bank-to-open-fifth-branch/>.

TCSB to better serve the needs of the community and its commercial customers as its “lending limit multiplied by 10 times, from \$6 million to \$60 million” as a result of the merger.²⁸⁶

1st State Financial, Ltd., the holding company for 1st State Bank, “the bank for business,” has five branches serving the Bay City-Saginaw and Gladwin-Midland banking markets. As of June 30, 2020, 1st State Bank had total assets of \$413.8 million, total U.S. deposits of \$363.0 million, total loans of \$280.3 million, and a C&I loan-to-total assets ratio of 41.0%. 60% of its loan portfolio is in C&I loans reflecting 1st State’s commitment to commercial lending since its founding in 2004. 1st State has eight commercial lenders servicing and providing all types of business loans.²⁸⁷ Since 2017, 1st State Bank’s assets and loans have grown 59% while deposits grew 66%. While some of this growth may be attributed to \$85 million in PPP loans,²⁸⁸ assets had grown 24% from 2017 to 2019. As noted in its 2019 Annual Report, “[b]y delivering quality, expedient service in all our communities, over the past three years 1st State Bank enjoyed annual growth in deposits of 14%. In comparison, nationally, community banks experienced deposit growth of 5%.”²⁸⁹

Fentura Financial, Inc. is the holding company for The State Bank, headquartered in Fenton, Michigan, a full-service commercial, retail and trust bank.²⁹⁰ The

²⁸⁶ Rick Haglund, How TC State Bank’s Merger With Independent Came to be and What Happens Next, THE TRAVERSE CITY BUSINESS NEWS (June 2018), <https://www.tcbusinessnews.com/how-tc-state-banks-merger-with-independent-came-to-be-and-what-happens-next/>.

²⁸⁷ 1st State Bank, Business Loans, <https://www.1ststate.bank/business/business-loans/>.

²⁸⁸ 1st State Financial, Newsletter (2nd Quarter 2020), <https://www.1ststate.bank/wp-content/uploads/2020/08/2nd-Qtr-2020reduced.pdf>.

²⁸⁹ 1st State Financial, 2019 Annual Report, <https://www.1ststate.bank/wp-content/uploads/2020/08/2019-Reportreduced.pdf>.

²⁹⁰ The State Bank, <https://www.thestatebank.com/> and Fentura Financial, Inc., <http://www.fentura.com/corporate-information/corporate-profile/default.aspx>.

State Bank operates 15 full-service branches in five Michigan counties and loan production offices in Saginaw and Washtenaw Counties. As of June 30, 2020, The State Bank had total assets of \$1.2 billion, total U.S. deposits of \$1.0 billion, total loans of \$1.0 billion, and a C&I loan-to-total assets ratio of 20.8%. Since 2017, its assets have grown 58% while its C&I loans have grown nearly *six-fold* due to \$206.9 million in PPP loans in the second quarter of 2020.²⁹¹ Prior to the PPP lending, The State Bank made \$29.5 million in SBA and USDA loans and \$186 million in new commercial loans in 2019.²⁹² In May 2020, the American Banker Magazine ranked Fentura among the top performing 25 community banks in the United States.²⁹³ The Independent Community Bankers of America named The State Bank a 2020 Top Lender for commercial lending.²⁹⁴ Fentura has successfully funded its organic growth with a \$21.6 million private placement in 2018.²⁹⁵

Isabella Bank Corporation is the holding company of Isabella Bank (Mount Pleasant, Michigan), which had total assets of \$1.9 billion, total U.S. deposits of \$1.4 billion and total loans of \$1.3 billion as of June 30, 2020. Isabella operates 30 branches across seven Michigan counties and has a C&I loan-to-total assets ratio of 12.4%. The community

²⁹¹ Press Release, Fentura Financial, Inc. Fentura Financial, Inc. Announces Second Quarter 2020 Earnings (Aug. 4, 2020), <http://www.fentura.com/news/press-release/2020/Fentura-Financial-Inc.-Announces-Second-Quarter-2020-Earnings/default.aspx> and State Bank Helps Over 1.2K Businesses Through PPP Loans, THE LIVINGSTON POST (May 14, 2020), <https://thelivingstonpost.com/state-bank-helps-over-1-2k-businesses-through-ppp-loans/>.

²⁹² Fentura Financial, Inc., 2019 Annual Report at 7, http://s25.q4cdn.com/265219311/files/doc_financials/2020/ar/2019-Annual-Report.pdf.

²⁹³ Press Release, Fentura Financial Inc., Fentura Financial, Inc. Receives Top 25 Community Bank Ranking in the United States (May 15, 2020), <http://www.fentura.com/news/press-release/2020/Fentura-Financial-Inc.-Receives-Top-25-Community-Bank-Ranking-in-the-United-States/default.aspx>.

²⁹⁴ The State Bank, The State Bank Named a “2020 Top Lender” By ICBA, <https://www.thestatebank.com/the-state-bank-named-a-2020-top-lender-by-icba/>.

²⁹⁵ Press Release, Fentura Financial, Inc., Fentura Financial, Inc. Announces Final Closing on Private Placement (Nov. 26, 2018), <http://www.fentura.com/news/press-release/2018/Fentura-Financial-Inc.-Announces-Final-Closing-on-Private-Placement/default.aspx>.

bank offers a full range of business and retail deposit and loan products along with investment, trust and electronic banking services.²⁹⁶ In addition to its offices in the Bay City-Saginaw and Gladwin-Midland markets, Isabella also reported small business loan originations in the Cadillac and Traverse City markets without a branch presence.

7. Ludington, Michigan Banking Market²⁹⁷

No divestiture is warranted in Ludington. Bank deposit concentration levels – without any credit union inclusion – are slightly above the Board’s safe harbor threshold (increasing 207 points to 2,188). With the reasonable inclusion of credit unions, the transaction falls well below the safe harbor threshold. The HHI increases by only 150 points to 1,658. And the parties’ combined share falls to 19.0%.

A. *Four Credit Unions Warrant Inclusion at 50% or More of Deposits*

Six credit unions accounting for 25.7% of total deposits – three times the national share – operate in the Ludington market. Three of those institutions meet the Board’s standards for inclusion at 50% of deposits – Filer Credit Union, Safe Harbor Credit Union, and Preferred Credit Union – and one – 4Front Credit Union – warrants 100% inclusion for the reasons explained previously.²⁹⁸ Even if the Board were to weight 4Front at only 50% of deposits, the proposed merger’s HHI would still be within the safe harbor, increasing 156 points to 1,707.

²⁹⁶ See Isabella Bank, <https://www.isabellabank.com/>.

²⁹⁷ The Ludington Banking Market is defined as Mason County in Michigan; the townships of Elk, Eden, Sauble, Peacock, Sweetwater, Webber, Lake, and Pleasant Plains in Lake County, Michigan; and the townships of Onekama, Bear Lake, Manistee, Brown, Dickson, Filer, Stronach, and Norman in Manistee County, Michigan.

²⁹⁸ See *supra* notes 68-96. 4Front has one branch in the city of Manistee, with \$39.2 million in deposits, holding a 3.5% share in deposits.

Name	Total Assets (\$M)	Asset Growth (2015-Q2 2020)	Total Deposits / In-Market (\$M)	Deposit Growth (2015-Q2 2020)	# of Branches/ # In-Market^	Network Member -ships	Full Range of Retail Products (Y/N)**	Advertises Business Products/ Services (Y/N)
Included at 50% Weight								
Filer CU	\$181.7	46.8%	\$157.0 / \$157.0	44.2%	3 / 3 *	Xtend	Y	Y
	Live, work, or worship in Manistee, Mason, Lake, Wexford, Grand Traverse, or Benzie Counties, Michigan (100% of Ludington market)							
	www.filercu.com							
Safe Harbor CU	\$81.7	79.2%	\$72.9 / \$72.9	76.6%	1 / 1 *	Xtend CO-OP	Y	Y
	Resident of the State of Michigan (100% of Ludington market)							
	www.safeharborcu.org							
Preferred CU	\$209.7	29.1%	\$176.4 / \$29.4	30.8%	6 / 1	Xtend CO-OP	Y	Y
	Live, work, attend school or worship in the Michigan counties of Allegan, Barry, Berrien, Branch, Cass, Calhoun, Clare, Clinton, Eaton, Gratiot, Ionia, Isabella, Kalamazoo, Kent, Lake, Manistee, Mason, Mecosta, Missaukee, Montcalm, Muskegon, Newaygo, Oceana, Osceola, Ottawa, St. Joseph, Van Buren and Wexford (100% of Ludington market)							
	www.preferredcu.org							
Included at 100% Weight								
4Front CU	\$662.7	55.3%	\$587.7 / \$39.2	56.2%	15 / 1	CO-OP	Y	Y - 2.0% C&I
	Live, work, worship, or attend school in the State of Michigan (100% of Ludington market)							
	www.4frontcu.com							
Mitigating Factors Not Included in Analysis								
West Michigan CU	\$188.0	29.3%	\$151.2 / \$30.6	28.4%	5 / 1	Xtend Jeanie	Y	N
	Live, work or have their place of religious worship in Kent, Lake, Manistee, Mecosta, Missaukee, Montcalm, Newaygo, Osceola, or Wexford Counties, Michigan or select employees (48% of Ludington market)							
	www.westmichigancu.com							
Mason County School Employees CU	\$7.0	21.7%	\$5.7 / \$5.7	23.1%	1 / 1 *	--	N - (no mortgage)	N
	Mason County school employees and their immediate families (unknown)							
	www.lasd.net/district/mcse-credit-union/							

^All branches are full-service and street-level (often with drive-thru lanes) unless otherwise noted.

* Including headquarters location.

** Offers checking, savings, and CD deposit accounts; mortgages, auto, and consumer loans; and credit cards.

B. The Combined Firm Will Continue to Face Competitive Pressure from Banking Institutions

In addition to the foregoing credit union competition several strong regional and local banks will continue to compete with the combined bank post-merger.

West Shore Bank Corporation (“West Shore”), profiled below, has six offices, including its headquarters in the Ludington market. With \$330.7 million in deposits and a 29.1% share, it is and will remain the largest bank in the market in terms of deposits and number of branches after the proposed transaction. West Shore dominates small business loan originations with a 51.0% estimated share – more than six times the parties’ combined share (7.9%). In 2016, West Shore acquired West Michigan Bank & Trust gaining one office in Manistee,²⁹⁹ which it subsequently consolidated into its existing Manistee branch. In 2018, West Shore opened a branch *de novo* in Onekama.³⁰⁰

Lake Financial Corporation, profiled above,³⁰¹ has three branches (including its headquarters) holding \$154.0 million in deposits (13.5% share) in the Ludington market. Deposits at these offices increased 36% in the last year. Lake-Osceola’s estimated small business loan origination share exceeds its deposit share at 19.0% — second only to West Shore Bank in the market and more than double the parties’ combined share.

²⁹⁹ Press Release, West Shore Bank, West Shore Bank to Partner with West Michigan Bank & Trust (Apr. 14, 2016), <https://www.prnewswire.com/news-releases/west-shore-bank-to-partner-with-west-michigan-bank-trust-300251845.html>.

³⁰⁰ MNA Staff, West Shore Bank Plans Expansion into Onekama, MANISTEE NEWS ADVOCATE (Dec. 12, 2017), <https://www.manisteenews.com/local-news/article/West-Shore-Bank-Plans-Expansion-into-Onekama-14266471.php>.

³⁰¹ See supra note 122.

PNC Financial Services Group, profiled above,³⁰² operates one of the oldest branches in the Ludington banking market – its Manistee branch opened in 1891. PNC operates one other branch in Ludington and its two market branches hold \$135.8 million in deposits (11.9%) – nearly twice Huntington’s share.

Fifth Third Bancorp, profiled above,³⁰³ operates one branch in the Ludington market that holds \$72.5 million in deposits (up 27.2% since 2016) with a 6.4% deposit share.

Shelby Financial Corporation (“Shelby”), profiled below, has two offices holding \$30.0 million in deposits (2.6% share). Shelby has a 4.6% share of estimated small business loans in the market (3.5 times larger than Huntington’s 1.3% share) with two commercial lending officers focused on each of the market’s counties, plus a senior vice president serving the entire bank’s footprint.³⁰⁴ Shelby entered Ludington in 2008 with a *de novo* branch and expanded in 2012 with the acquisition of a branch in Manistee from Honor Bancorp.³⁰⁵

Honor Bancorp, Inc., profiled above,³⁰⁶ has \$29.4 million in deposits at one branch. This branch has grown 33.4% since 2016, exceeding even the substantial overall

³⁰² See *supra* notes 205-210.

³⁰³ See *supra* notes 109-114.

³⁰⁴ Shelby State Bank, Commercial Loans, <https://www.shelbybank.com/commercial-loans> and Staff Reports, Shelby State Bank Announces Promotions, MANISTEE NEWS ADVOCATE (Mar. 5, 2020), <https://www.manisteenews.com/briefs/article/Shelby-State-Bank-announces-promotions-nbsp-15108761.php>.

³⁰⁵ See MNA Staff, Shelby State Bank Acquires Manistee Branch of Honor Bank, MANISTEE NEWS ADVOCATE (Dec. 15, 2011), <https://www.manisteenews.com/business/article/Shelby-State-Bank-acquires-Manistee-branch-of-14227848.php> and Shelby State Bank, About Us, <https://www.shelbybank.com/about-us#>.

³⁰⁶ See *supra* notes 123-124.

market bank deposit growth of 25.1%. Honor's estimated small business loan share (11.8%) far exceed its deposit share (2.6%) as well as the parties' combined share (7.9%).³⁰⁷

C. The Parties have a de minimis share of Small Business Loan Originations

Huntington's small business lending presence in the Ludington market is *de minimis* – it originated *only two* small business loans in 2019, giving it a 1.3% market share. As a result, small business lending concentration is barely impacted, with the HHI increasing only 17 points to 3,188, and the parties' combined share is 7.9%. Local community banks who do not report originations under CRA dominate the market with an estimated share of more than 86.5% of 2019 originations. As noted, West Shore Bank, which originated an estimated 195 loans in 2019, is the leader in small business lending with a 51.0% share of loans. Other significant players in the small business loan space include Lake Financial (19.0%), Honor (11.8%), and Shelby (4.6%). All four banks *doubled* or *tripled* their C&I loans in the last three years and three of the four will remain significantly larger than the combined parties.

D. Ludington is Attractive for New Entry and Expansion

The Ludington market, on the northwest coast of Lake Michigan, is a popular tourist destination. Mason County, the only full county in the Ludington market, enjoys a thriving year-round tourism economy. It encompasses the cities of Ludington and Pentwater,

³⁰⁷ The estimated lending for the Ludington market includes the entirety of Manistee County. Honor Bank has two branches in the county (one that falls in the Ludington market in Bear Lake and a smaller one in the Traverse City market in Copemish), so Honor's small business lending may be exaggerated in comparison to its deposit share. Even if half of the loans currently assigned to this market were included, Honor's share would exceed 6% of loan originations. Honor is the largest lender in Manistee County as a whole with a 40.2% share.

both located on Lake Michigan. Tourism is Ludington's largest industry,³⁰⁸ with popular destinations including the Silver Lake sand dunes, Hamlin Lake, Big Sable Point Lighthouse, and Manistee National Forest.³⁰⁹ During the summer, the SS Badger leaves from Ludington to take passengers and vehicles to Manitowoc, Wisconsin.³¹⁰ Mason County also has robust manufacturing sector, which accounts for around 18% of its business economy.³¹¹

Manistee, the largest town in Manistee County (and part of the Ludington market), was built where the Manistee River flows into Lake Michigan. In addition to being a popular tourist destination, Manistee Lake has a deep draft commercial harbor that allows bulk freighters to access the city's industrial center.³¹² Manistee is also home to the Little River Casino, operated by the Little River Band of Ottawa Indians on Ottawa Tribe land just north of Manistee.³¹³

The Ludington Micropolitan Statistical Area (defined as Mason County) has had the fastest growth in per capita income and median household income of all Michigan Metropolitan or Micropolitan Statistical Areas over the last two years – more than double the growth of the state or the country. Manistee and Lake Counties, parts of which are in this market, also show strong growth in per capita income and median household income as compared to other Michigan counties, the state, and the nation.

³⁰⁸ See Pure Ludington, Ways to Love Ludington (From Near or Far), <https://www.pureludington.com/nearorfar#:~:text=Tourism%20is%20Ludington's%20largest%20industry,million%20in%20total%20labor%20income>.

³⁰⁹ See Pure Ludington, <https://pureludington.com/>.

³¹⁰ S.S. Badger, <https://www.ssbadger.com/>.

³¹¹ See Ludington & Scottville Area Chamber of Commerce & Economic Development, Advanced Manufacturing, <http://www.ludington.org/business-clusters/business-clusters/advanced-manufacturing/>.

³¹² The City of Manistee Michigan, Harbor, <https://www.manisteemi.gov/272/Harbor>.

³¹³ Little River Casino, About Us, <https://www.lrcr.com/plan-your-journey/about-us>.

These attributes have made Ludington an attractive market for entry and expansion. Two competitor branches have opened in the last three years. West Shore opened a branch in January 2018,³¹⁴ and Filer opened a branch in January 2020. In addition, Safe Harbor CU will be moving to new, expanded headquarters in the market in the spring of 2021 to accommodate its continued membership growth.³¹⁵ Safe Harbor's President and CEO, Adam Johnson, cited "unprecedented growth" in areas such as membership, assets, lending and staff as driving the move to a newly built, more central location.³¹⁶

E. Ludington Conclusion

Deposit concentration in Ludington, after accounting for the reasonable inclusion of credit unions under Board assumptions, is below the safe harbor threshold. The proposed transaction's *de minimis* impact on small business lending and the strength of local banks and credit unions further evidence that the proposed transaction will not substantially lessen competition in the Ludington market. Following the merger, the parties will face competition from three banks with shares exceeding 11% and another bank and a credit union with shares over 5%. Thus, no divestiture is warranted.

F. Ludington Bank Profiles

West Shore Bank Corporation, the holding company of West Shore Bank, is headquartered in Ludington, Michigan. West Shore operates nine branches and two wealth

³¹⁴ MNA Staff, West Shore Bank Plans Expansion into Onekama, MANISTEE NEWS ADVOCATE (Dec. 12, 2017), <https://www.manisteenews.com/local-news/article/West-Shore-Bank-Plans-Expansion-into-Onekama-14266471.php>.

³¹⁵ Riley Kelley, Safe Harbor Credit Union to Relocate to Spot on U.S. 10, LUDINGTON DAILY NEWS (May 22, 2020), https://www.shorelinemedia.net/ludington_daily_news/news/local/safe-harbor-credit-union-to-relocate-to-spot-on-u-s-10/article_b96940fc-3995-598f-9744-22a7016fc464.html.

³¹⁶ Safe Harbor Credit Union Breaks Ground for New Building, MASON COUNTY PRESS (July 31, 2020), <http://www.masoncountypress.com/2020/07/31/safe-harbor-credit-union-breaks-ground-for-new-building/>.

management offices (one of which also offers commercial and mortgage loans) across seven Michigan counties (including the Ludington and Traverse City markets).³¹⁷ As of June 30, 2020, West Shore Bank had total assets of \$522.1 million, total U.S. deposits of \$411.3 million, total loans of \$383.2 million, and a C&I loan-to-total assets ratio of 19.1%. West Shore has shown steady growth. Its assets grew 34% from December 2017 to September 2020, while deposits grew 47% and C&I loans more than doubled. While much of the increase in C&I loans can be attributed to PPP lending, C&I loans had grown 42% from 2017 to 2019.

Shelby Financial Corporation, the parent of Shelby State Bank, is a full-service community bank headquartered in Shelby, Michigan. Shelby has 10 offices across the Grand Rapids and Ludington, Michigan banking markets. With five commercial lenders and three mortgage lenders, Shelby stresses the value of supporting the Lake Michigan shoreline region where “[d]ecisions are made locally, loans are funded locally, and your relationship with Shelby State Bank is conducted 100% locally.”³¹⁸ As of June 30, 2020, Shelby State Bank had total assets of \$320.3 million, total U.S. deposits of \$286.0 million, total loans of \$191.9 million, and a C&I loan-to-total assets ratio of 8.8%. From 2017 to September 2020, Shelby’s assets have grown 36% while deposits grew 32%, and C&I loans more than doubled.

³¹⁷ See West Shore Bank, <https://www.westshorebank.com>.

³¹⁸ See Shelby State Bank, Commercial Loans, <https://www.shelbybank.com/commercial-loans>.

8. Traverse City, Michigan Banking Market³¹⁹

No divestiture is warranted in the Traverse City market. With the reasonable inclusion of credit unions, deposit concentration is below the safe harbor threshold (428/1,530), and the parties’ combined share is 29.3%. Traverse City is a thriving market, and numerous local, regional and national banks, as well as strong credit unions, will continue to compete in the market.

A. At Least Six Credit Unions Warrant Inclusion at 50% of Deposits or More

Ten credit unions serve the Traverse City market through 23 offices. As a group, these credit unions hold \$1.2 billion of deposits or a 22.0% share of total deposits (2.5 times the national share).

Five credit unions — TBA Credit Union, Lake Michigan Credit Union, Traverse Catholic Federal Credit Union, Credit Union ONE, and Team One Credit Union — meet the Board’s criteria for inclusion at 50% of deposits, and commercially active 4Front, as profiled above,³²⁰ warrants inclusion at 100% of deposits. Arguably, TBA Credit Union, discussed below, should also merit inclusion at 100% of deposits.

Name	Total Assets (\$M)	Asset Growth (2015-Q2 2020)	Total Deposits / In-Market (\$M)	Deposit Growth (2015-Q2 2020)	# of Branches/ # In-Market [^]	Network Member -ships	Full Range of Retail Products (Y/N)**	Advertises Business Products/ Services (Y/N)
Included at 50% Weight (TBA CU discussed below)								
TBA CU	\$259.3	48.4%	\$222.6 / \$222.6	53.7%	2 / 2 *	Xtend CO-OP	Y	Y
	Reside, are employed, worship, or attend schools in the State of Michigan (100% of Traverse City market)							
www.tbacu.com								

³¹⁹ The Traverse City Banking Market is defined as Antrim (less Banks, Central Lake, Echo, Jordan, and Warner townships), Benzie, Grand Traverse, Kalkaska, Leelanau, and Arcadia Counties in Michigan; and the townships of Pleasanton, Springdale, Cleon, Maple Grove, and Marilla in Manistee County, Michigan.

³²⁰ See *supra* notes 68-96.

Name	Total Assets (\$M)	Asset Growth (2015-Q2 2020)	Total Deposits / In-Market (\$M)	Deposit Growth (2015-Q2 2020)	# of Branches/ # In-Market^	Network Member -ships	Full Range of Retail Products (Y/N)**	Advertises Business Products/ Services (Y/N)
Lake Michigan CU	\$8,434.4	106.3%	\$7,013.3 / \$129.9	123.7%	54 / 1	Allpoint	Y	Y
	Live, work, or worship anywhere in Michigan's Lower Peninsula or in Florida; or contribute \$5 to ALS Foundation (100% of Traverse City market)							
	lmcu.org							
Credit Union ONE	\$1,654.8	61.8%	\$1,492.3 / \$78.5	62.9%	19 / 1	CO-OP	Y	Y
	Live, work, attend school, or worship in the State of Michigan (100% of Traverse City market)							
	www.cuone.org							
Traverse Catholic FCU	\$78.1	50.9%	\$73.1 / \$73.1	53.5%	4 / 4 *	Xtend CO-OP	Y	Y
	Live, work, worship, or attend school in and businesses and other legal entities located in Antrim, Benzie, Charlevoix, Grand Traverse, Kalkaska or Leelanau Counties, Michigan (~97% of Traverse City market)							
	www.tcfedcu.org							
Team One CU	\$646.8	43.2%	\$572.3 / \$47.7	44.8%	12 / 1	CO-OP	Y	Y
	Live, work, worship, or attend school in the State of Michigan (100% of Traverse City market)							
	www.teamonecu.org							
Included at 100% Weight (discussed below)								
4Front CU	\$662.7	55.3%	\$587.7 / \$313.4	56.2%	15 / 8 *	CO-OP	Y	Y - 2.0% C&I
	Live, work, worship, or attend school in the State of Michigan (100% of Traverse City market)							
	www.4frontcu.com							
Mitigating Factors Not Included in Analysis (Forest Area discussed below)								
Forest Area FCU	\$147.5	48.3%	\$128.4 / \$64.2	51.9%	6 / 3 *	Xtend CO-OP	Y	Y
	Live, work, worship, or attend school and businesses or other legal entities in Antrim, Crawford, Grand Traverse, Kalkaska, Missaukee, and Wexford counties (~77% of Traverse City market)							
	www.forestarea.com							
Northwest Consumers FCU	\$24.7	38.1%	\$21.8 / \$21.8	37.4%	1 / 1 *	Xtend	Y	N
	Work, worship, attend school, or live in Grand Traverse County (~47% of Traverse City market)							
	www.nwconsumers.org							
Frankfort Community FCU	\$16.2	48.3%	\$14.2 / \$14.2	52.1%	1 / 1 *	CO-OP	Y	N
	Live, work, or volunteer in Benzie County, Michigan (~9% of Traverse City market)							
	fcfcu.virtualcu.net							
Michigan State University FCU	\$5,375.1	77.1%	\$4,504.4 / \$225.2	72.3%	21 / 1	CO-OP	Y	Y
	Live, work, worship, go to school, or own a business in Oakland, Genesee, Lapeer, Livingston, and Macomb counties; plus the Michigan State University community and select employee groups (unknown)							
	www.msufcu.org							

^All branches are full-service and street-level (often with drive-thru lanes) unless otherwise noted.

* Including headquarters location.

*** Offers checking, savings, and CD deposit accounts; mortgages, auto, and consumer loans; and credit cards. Note: For purposes of allocating deposits, Michigan State's branch count excluded one branch opened in July 2020 and Credit Union ONE's branch count excludes four locations in medical centers that are presumed not full-service locations.*

4Front Credit Union's eight branches in Traverse City hold \$313.4 million in deposits (6.5% share). As noted in its profile, 4Front has a 2.0% C&I loan-to-asset ratio and houses a strong commercial lending staff in Traverse City. 4Front's business focus is also visible in the Traverse City market through articles,³²¹ presentations,³²² and customer reviews.³²³ Even if 4Front were included at only 50% of deposits, the HHI is still below safe harbor levels increasing 458 points to 1,600.

TBA Credit Union ("TBA") is a Traverse City, Michigan based credit union that serves over 17,000 members from its two branch locations, both in Traverse City. TBA opened its doors in 1955 as the Traverse City Board of Education Employees Credit Union, and expanded to its current form and extended membership in January 2004.³²⁴ TBA offers a robust selection of retail and consumer services. In addition to checking and savings accounts, TBA offers retirement and investment services³²⁵ and loan products, including home, vehicle and personal loans and credit cards.³²⁶ TBA business customers have access

³²¹ See, e.g., Andrew Rosenthal, National Coin Shortage Impacts Some Northern Michigan Businesses, TRAVERSE CITY RECORD EAGLE (July 26, 2020), https://www.record-eagle.com/collections/national-coin-shortage-impacts-some-northern-michigan-businesses/article_62c44f88-c78e-11ea-8e0a-af85eadf779d.html.

³²² See, e.g., 4 Front Credit Union, Event Details – Small Business Planning & Financing, https://www.4frontcu.com/seminars?event_id=15.

³²³ See Alignable, 4 Front Credit Union, <https://www.alignable.com/traverse-city-mi/4front-credit-union> and Alignable, Local Discussions – Traverse City, <https://www.alignable.com/traverse-city-mi/forum/local-lender-recommendations-for-funding-access-traverse-city-mi>.

³²⁴ See TBA Credit Union, Our Story, History, <https://www.tbacu.com/our-story/history>.

³²⁵ TBA Credit Union, Investment Services, <https://www.tbacu.com/personal-2/tba-investment-services/>.

³²⁶ TBA Credit Union, Loan Rates, <https://www.tbacu.com/loans/rates/>.

to business checking and money market accounts, investment services, loans and credit cards, and other services to support businesses in the Traverse City area.³²⁷ Members also have access to the large CO-OP and Xtend array of surcharge-free ATMs and branches.³²⁸

TBA is a strong player in the Traverse City market, holding a 4.1% share of total deposits (2.3% when weighted at 50% of deposits). Its membership has grown 10.8% over the past five years. TBA has been rated as a five-star credit union since 1999 and was voted as one of the top three Northern Michigan Financial Institutions in 2020.³²⁹

DepositAccounts.com also granted TBA an “A+ Grade” in its most recent analysis of the healthiest credit unions in America.³³⁰

Moreover, TBA is an active commercial lender with a C&I loan-to-asset ratio of 1.4% and a member commercial loan-to-asset ratio of 5.3%. TBA was also an active provider of PPP loans this past year, reporting \$3.7 million of PPP loans as of June. If these PPP loans were reported with the rest of TBA’s commercial lending, they would bring its total C&I loan-to-asset ratio to about 2.8%, justifying inclusion at 100% of deposits.

Including TBA at 100%, the deposit HHI would increase 409 points to only 1,477.

Forest Area Federal Credit Union, profiled above,³³¹ has three branches in the Traverse City market holding a total of \$64.2 million in deposits. Forest Area membership is

³²⁷ See TBA Credit Union, Business – Getting Started, <https://www.tbacu.com/business/getting-started/>.

³²⁸ TBA Credit Union, ATM & Branches, <https://www.tbacu.com/services/atms-locations/>.

³²⁹ Press Release, TBA Credit Union, TBA CU 5-Star Rating Since 1999 (Jan. 24, 2020) at <https://www.tbacu.com/wp-content/uploads/202001-TBACU-5-Star-Rating-Since-1999.pdf>; Press Release, TBA Credit Union, TBA Credit Union Is a 2020 Red Hot Best Winner! (Aug. 13, 2020), <https://www.tbacu.com/wp-content/uploads/202008-Press-Release-Red-Hot-Best.pdf>.

³³⁰ Press Release, TBA Credit Union, TBA Credit Union Recognized with A+ Rating in 2020 Analysis of Financial Health, (May 18, 2020), <https://www.tbacu.com/wp-content/uploads/202005-TBA-Credit-Union-Recognized-with-A-Rating-in-2020-Analysis-of-Financial-Health.pdf>.

³³¹ See *supra* notes 97-99.

open to individuals who live, work, worship or attend school in Antrim, Grand Traverse, and Kalkaska counties within the Traverse City market. Based on residency only, this includes 77% of the Traverse City market population, just below the 80% coverage criteria used here. This estimate, however, improperly excludes residents of Benzie, Leelanau and Arcadia counties who may work, worship, or attend school in one of the eligible counties. Only 5,200 residents of those counties need be included for Forest Area to reach 80% coverage. Approximately 35.2% of workers over age 16 who live in Benzie County (approximately 2,614) and 38.7% of those who live in Leelanau (3,670) commute to Grand Traverse.³³² Thus, it is highly likely that more than 80% of the Traverse City market population is eligible for Forest Area membership such that Forest Area should be weighted at 50% of deposits, and, at a minimum, should be considered a strong mitigating factor.

Including Forest Area at 50% and TBA at 100%, the proposed transaction increases HHI 404 points to 1,458.³³³ While these additions are appropriate, the proposed transaction remains below the safe harbor threshold without their inclusion, with the HHI increasing 428 points to 1,530.

B. Strong Bank Competitors Will Remain

Post-transaction, numerous strong local, regional, and national banks will remain active in the Traverse City market and continue to constrain the combined company.

Fifth Third Bancorp, profiled above,³³⁴ is the largest bank in the Traverse City market with \$953.1 million in deposits at six offices and a separate drive-thru location.

³³² Based on 2011-2015 5-Year ACS Commuting Flows, U.S. Census Bureau, 2011-2015 5-Year ACS Commuting Flows (Oct. 24, 2019), <https://www.census.gov/data/tables/2015/demo/metro-micro/commuting-flows-2015.html>.

³³³ Weighting Forest Area at 50%, but leaving TBA at 50% as well results in an increase of 423 to 1,510.

³³⁴ *See supra* notes 109-114.

These branches hold a 19.8% deposit share. “A lot of our market share comes from corporate commercial accounts,” said Bruce Bussey, Fifth Third’s financial center manager in Traverse City in 2016. “We’ve been the leader there for quite some time.”³³⁵ In 2017 Fifth Third hired away from JPMC (Chase Bank) Traverse City resident, Autumn Gillow, to become vice president of commercial banking for the Saginaw and Traverse City region.³³⁶ With a focus on the larger small businesses and middle-market, Fifth Third’s active commercial lending in Traverse City is understated by CRA data, which show Fifth Third originating 3.3% of small business loans in 2019.

JPMorgan Chase & Co., profiled above,³³⁷ operates four branches and a non-deposit reporting facility in the Traverse City market, holding \$539.1 million in deposits for an 11.2% share.³³⁸ Deposits grew 39.6% since 2016, exceeding the growth of total market bank deposits (23.3%). JPMC originated 1.4% of the market’s small business loans in 2019.

Independent Bank Corporation has four offices in the Traverse City market holding \$243.2 million in deposits with a 5.0% share.³³⁹ As noted in its profile above,³⁴⁰ Independent entered the Traverse City market in 2017 with a loan production office, followed by its 2018 acquisition of TCSB Bancorp. Independent reported \$45.3 million in

³³⁵ Rick Haglund, TC Banking Market Growing, Hotly Competitive, THE TRAVERSE CITY BUSINESS NEWS (Dec. 2016), <https://www.tcbusinessnews.com/tc-banking-market-growing-hotly-competitive/>.

³³⁶ See Rick Haglund, Show Me the Money: High Loan Demand Spurs Pressure for New Deposits, THE TRAVERSE CITY BUSINESS NEWS (Dec. 2017), <https://www.tcbusinessnews.com/show-me-the-money-high-loan-demand-spurs-pressure-for-new-deposits/>.

³³⁷ See *supra* notes 180-186.

³³⁸ JPMC also operates one drive-thru location in Traverse City that does not hold any deposits.

³³⁹ Independent closed the Williamsburg branch in 2020.

³⁴⁰ See *supra* notes 274-286.

small business loan originations in 2019 for a 14.1% share of the market – about 2.5 times its own deposit presence and four times Huntington’s loan share (3.4%).

Central-State Bancorp, Inc., profiled above,³⁴¹ has five full-service branches (including its headquarters) together holding \$212.2 million in deposits in the Traverse City, Michigan market (4.4% share). In addition to branches, Central-State has three loan centers and an operations center in the market,³⁴² as well as five commercial loan officers who service the market.³⁴³ From 2019 to 2020, Central-State’s deposits grew 19.6%.

First National Bancshares (“First National”), profiled below, holds \$207.7 million in deposits at one branch in the Traverse City market that it acquired in 2011 from First Financial Bank (along with \$50 million in commercial loans).³⁴⁴ Last year, deposits grew 36% and have tripled since 2016. In 2013, First National relocated in Traverse City to open a new office “with a focus on commercial loans.”³⁴⁵

Honor Bancorp, Inc., profiled above,³⁴⁶ has six branches (including its headquarters) in the Traverse City market together holding \$198.1 million in deposits for a share of 4.1%. In addition to its branches, Honor has a loan center in Beulah and has plans to

³⁴¹ See *supra* notes 159-162.

³⁴² In addition, in 2020 State Savings opened an office co-located with a full-service branch to facilitate courier deposit drops. This office has no retail interaction and reports no deposits.

³⁴³ See State Savings Bank, Commercial Loans, <https://www.ssbankmi.com/loans/commercial-loans.html>.

³⁴⁴ Mark Sanchez, East Lansing-Based First National Bank of America Moves into Grand Rapids Market, MLIVE.COM (Apr. 1, 2011), https://www.mlive.com/business/west-michigan/2011/04/east_lansing-based_first_natio.html.

³⁴⁵ Glenn Puit, First National Puts Down Roots in TC, TRAVERSE CITY RECORD EAGLE (Oct. 11, 2013), https://www.record-eagle.com/archives/first-national-puts-down-roots-in-tc/article_60c16632-7f52-50f1-866d-01411dbc8adb.html; see also, Al Parker, New Bank on the Block: One Month in, the TCBN Checks in with FNBA, THE TRAVERSE CITY BUSINESS NEWS (MAY 2011), <https://www.tcbusinessnews.com/new-bank-on-the-block-one-month-in-the-tcbn-checks-in-with-fnba/>.

³⁴⁶ See *supra* notes 123-124.

open a second loan center in downtown Traverse City.³⁴⁷ Honor's estimated share of small business loan originations (12.8%) is more than three times Honor's deposit share and nearly four times Huntington's share (3.4%).

Alden State Bank ("Alden"), profiled below, has its headquarters and two other branches in the Traverse City market holding \$179.8 million in deposits (3.7% share). These deposits grew 28% since 2016 and 16% in the past year. Alden's estimated share of small business loan originations of 10.2% is almost three times Alden's deposit share and three times Huntington's loan share (3.4%).

PNC Financial Services Group, profiled above,³⁴⁸ operates one branch in the Traverse City market holding \$129.5 million in deposits (2.7% share). These deposits grew 86.3% since 2016 (more than double the whole market's bank deposit growth) with 69.3% increase in the last year (three times the market). PNC originated 1.5% of small business in loans in 2019.

Mackinac Financial Corporation, profiled above,³⁴⁹ has three mBank offices holding \$64.1 million in the Traverse City market with a deposit share of less than 2%. mBank's 4.1% share of small business loan origination is three times mBank's deposit presence. The bank's Regional President and a Commercial Banking Officer are both located in Traverse City.³⁵⁰

³⁴⁷ Beth Milligan, Four-Story Development Planned for East Front Street, THE TICKER (Apr. 10, 2019), <https://www.traverseticker.com/news/four-story-development-planned-for-east-front-street/>.

³⁴⁸ See *supra* notes 205-210.

³⁴⁹ See *supra* notes 154-158.

³⁵⁰ mBank, Commercial Lending Team, <https://www.bankmbank.com/contact/commercial-lending-team/>.

Harbor Springs Financial Corporation (“Harbor Springs”), profiled below, entered the Traverse City market in 2006 with a *de novo* branch.³⁵¹ In the past three years, this branch has doubled in size reaching \$50.7 million (1% share). Despite its single branch in Traverse City, Harbor Springs has two dedicated commercial lenders in the market.³⁵² Thus, Harbor Springs is a strong small business lender with an estimated 4.1% share of originations – four times its deposit share and larger than Huntington’s loan share (3.4%).

West Shore Bank Corporation, profiled above,³⁵³ entered the Traverse City market in 2016 gaining one branch in Benzie County from its acquisition of West Michigan Bank & Trust.³⁵⁴ West Shore’s two branches hold \$42.8 million in deposits (less than 1% share), but as with many other local banks, West Shore’s estimated share of small business originations (2.1%) materially exceed its deposit share.

C. Small Business Lending is Not Concentrated

Small business concentration levels are well below safe harbor levels, with market HHI increasing 142 points to 1,362. Huntington itself is a relatively small player, ranked eighth with only a 3.4% share of small business loans. Central-State leads with an estimated share of 14.7% of small business loans — triple its deposit share and four times Huntington’s share. This fact is unsurprising as Central-State has five commercial lending

³⁵¹ Luke Haase, Banking on Traverse City: Sixteen Banks Now Compete Here, THE TRAVERSE CITY BUSINESS NEWS (DEC. 2006), <https://www.tcbusinessnews.com/banking-on-traverse-city-sixteen-banks-now-compete-here/>.

³⁵² First Community Bank, Loans, <https://www.firstcb.com/business/loans>.

³⁵³ See *supra* note 317.

³⁵⁴ Press Release, West Shore Bank, West Shore Bank to Partner with West Michigan Bank & Trust (Apr. 14, 2016), <https://www.prnewswire.com/news-releases/west-shore-bank-to-partner-with-west-michigan-bank-trust-300251845.html>.

officers that service the Traverse City market.³⁵⁵ Independent (14.1%) and Honor (est. 12.8%) both have more than triple Huntington's share of small business loans in the Traverse City market. Alden (est. 10.2%), Mackinac (6.1%), and Harbor Springs (est. 4.1%) are also all larger than Huntington. Numerous regional and national banks are also active in small business lending in the market, including Fifth Third (3.3%), West Shore (est. 2.1%), PNC (1.5%), JPMC (1.4%), and Mercantile (1.2%). Notably, this excludes commercially active credit unions such as 4Front and TBA.

D. Traverse City is an Attractive Market for Entry and Expansion

Traverse City is an attractive market with a strong economy largely based in tourism. Traverse City, the main city in the market, straddles Leelanau and Grand Traverse counties and its official population of approximately 15,000 more than doubles during the day time as people from the surrounding region commute in for business and leisure.³⁵⁶ Traverse City is a popular tourist destination year round, with more than two million people visiting the region annually.³⁵⁷ Traverse City hosts a National Cherry Festival every July that involves corporate sponsorships from local, regional and national corporations as varied as Toyota, Tom's, Country Fresh, and The Home Depot.³⁵⁸ Cherry Capital Airport, located just 10 minutes from downtown, offers direct flights from major U.S. cities, including New York

³⁵⁵ See State Savings Bank, Commercial Loans, <https://www.ssbankmi.com/loans/commercial-loans.html> (Traverse City and Benzie County).

³⁵⁶ See City Of Traverse City, [About Traverse City, https://www.traversecitymi.gov/about.asp#:~:text=While%20Traverse%20City's%20official%20population,Micropolitan%20Statistical%20Area%20of%20143%2C372](https://www.traversecitymi.gov/about.asp#:~:text=While%20Traverse%20City's%20official%20population,Micropolitan%20Statistical%20Area%20of%20143%2C372).

³⁵⁷ See Emily Bingham, [Grand Traverse County Profile](https://mynorth.com/2015/02/grand-traverse-county-profile/) MYNORTH (Feb. 2, 2015), <https://mynorth.com/2015/02/grand-traverse-county-profile/>.

³⁵⁸ National Cherry Festival, <https://www.cherryfestival.org/>.

City, Chicago, Detroit, and Cincinnati.³⁵⁹ Filmmaker Michael Moore has also helped establish an annual Traverse City Film Festival that draws “meaningful movies” to the region.³⁶⁰ Beyond Traverse City, the region includes some of the best beaches in the country, with Sleeping Bear Dunes,³⁶¹ fantastic sailing in Grand Traverse Bay, Lake Michigan, and the many inland glacial lakes (e.g., Torch Lake, Elk Lake, and Lake Leelanau),³⁶² and scenic Leelanau peninsula.³⁶³ Traverse City and the surrounding area receive numerous accolades as some of the best vacation and retirement spots in the country.³⁶⁴

In addition to tourism, the Traverse City region has strong retail, healthcare, manufacturing, and professional services sectors. Key employers include Northwestern Michigan College, Munson Healthcare, Hagerty Insurance, and Team Elmer’s – an excavation, concrete, asphalt and crane company.³⁶⁵ And Traverse City has been named one of America’s best 50 cities to live in.³⁶⁶ Bankers find the region attractive, noting that “the

³⁵⁹ Traverse City, MI Cherry Capital Airport, <https://tvcairport.com/>.

³⁶⁰ Steve Reddicliffe, *36 Hours in Traverse City, Mich.*, N.Y. TIMES (July 26, 2018) <https://www.nytimes.com/2018/07/26/travel/what-to-do-in-traverse-city-michigan.html>; see also, Steve Reddicliffe, *Michael Moore Loves Movies. And Showing Them in Traverse City.*, N.Y. TIMES (July 26, 2018), <https://www.nytimes.com/2018/07/26/travel/michael-moore-traverse-city.html>.

³⁶¹ Brian Manzullo, *One of the world’s best beaches is in Michigan*, DETROIT FREE PRESS (Jan. 25, 2017), <https://www.freep.com/story/travel/nation-now/2017/01/25/sleeping-bear-dunes/97052016/>.

³⁶² See Traverse City, MI, Boating, <https://www.traversecity.com/outdoors/watersports/boating/>.

³⁶³ See, e.g., *Visiting the Leelanau Peninsula*, <https://globalphile.com/leelanau-penninsula/>.

³⁶⁴ See, e.g., Laura Vogel & Caitlin Morton, *The Prettiest Towns in the U.S.A.* CONDÉ NAST TRAVELLER (Feb. 12, 2020), <https://www.cntraveller.com/gallery/most-beautiful-towns-usa>; Emily Brandon, *10 Affordable Places to Retire on the Water* U.S. NEWS (May 26, 2020), <https://money.usnews.com/money/retirement/slideshows/10-affordable-places-to-retire-on-the-water>; Traverse City, *Traverse City Accolades*, <https://www.traversecity.com/meetings/media/accolades/>.

³⁶⁵ Bingham, *Grand Traverse County Profile*, *supra* note 357.

³⁶⁶ Samuel Stebbins, *America’s 50 Best Cities to Live*, MSN (Feb. 25, 2020), <https://www.msn.com/en-us/money/realestate/americas-50-best-cities-to-live/ss-BB10lo4R#image=18>.

growth of the region makes it a lucrative market to exploit and one that is hotly competitive.”³⁶⁷

Traverse City’s attractiveness as a banking market is evidenced in the numerous branch expansion from banks and credit unions – eight new branches have opened in the past five years, including *de novo* entry.³⁶⁸ Credit unions have been particularly aggressive expanding in the market: Forest Area opened a branch in May 2016. Traverse Catholic opened a branch in December 2017 and another in April 2019. Team One entered the market with a new branch in October 2019. Lake Michigan has also announced plans to open its second branch in the market. And 4Front is building a new administrative center in Traverse City to support its branches.

Regional and local banks are also growing or entering the market. TCSB (now Independent Bank) opened a branch in 2016. In 2017, mBank opened a branch *de novo* in Traverse City upgrading a loan production office that had originally opened in 2012 to serve commercial and mortgage clients.³⁶⁹ West Shore opened a second location as a specialty office in 2017³⁷⁰ (which became a full-service branch in 2018) and announced plans for a new branch this year.³⁷¹ President and CEO, Raymond A. Biggs noted, “We are

³⁶⁷ Rick Haglund, TC Banking Market Growing, Hotly Competitive, THE TRAVERSE CITY BUSINESS NEWS (Dec. 2016), <https://www.tcbusinessnews.com/tc-banking-market-growing-hotly-competitive/>.

³⁶⁸ Michigan State University FCU also opened a branch in June 2020 with plans to open another next spring; however, the portion of market’s population eligible for membership is not quantifiable.

³⁶⁹ See Sneak Peak: Inside 309 Cass St. THE TICKER (Feb. 20, 2012), <https://www.traverseticker.com/news/sneak-peak-inside-309-cass-st/> and Press Release, mBank, mBank Opens Second Traverse City Branch Location (May 1, 2017), <https://www.bankmbank.com/mbank-opens-second-traverse-city-branch-location/>.

³⁷⁰ West Shore Bank Location Planned in Traverse City, LUDINGTON DAILY NEWS (June 26, 2020), https://www.shorelinemedia.net/ludington_daily_news/news/local/west-shore-bank-location-planned-in-traverse-city/article_57b0e2a8-a66f-582d-8bd9-0fdeaaaf06380.html.

³⁷¹ Id.

grateful for the growth we are experiencing in the Traverse City market and are excited to make this significant investment, making it clear to the community that we are here to stay.”³⁷² State Savings opened its most recent branch in the market in 2018, next door to a loan center it had operated since 2014.³⁷³ In 2019, Honor opened a new branch in downtown Traverse City to replace one further in the outskirts of the city noting: “As Honor Bank has recently expanded our business banking operations and more Traverse City businesses are banking with us, the new Honor Bank Union branch will offer a convenient location for Traverse City businesses to do their day-to-day banking with a local, community bank.”³⁷⁴

E. Traverse City Conclusion

Deposit concentration in the Traverse City market, after accounting for the reasonable inclusion of credit unions under Board assumptions, is below the safe harbor threshold. Two bank competitors will remain with shares of nearly 20% and 11%, while two other competitors have shares over 5%. Small business lending in Traverse City is not and will not be concentrated post-merger. Moreover, Traverse City is drawing significant expansion from other regional and local institutions, further demonstrating that the proposed transaction will not substantially lessen competition in this market. Thus, no divestiture is warranted.

³⁷² *Id.*

³⁷³ See Press Release, State Savings Bank, Bank with Us on Front Street in TC (Nov. 2018), <https://www.ssbankmi.com/about/news-articles/bank-with-us-on-front-street-in-tc.html> and Carol Thompson, State Savings Bank Expands in TC, TRVERSE CITY RECORD EAGLE (Jan. 26, 2015), https://www.record-eagle.com/news/business/state-savings-bank-expands-in-tc/article_baee6aa6-23b6-5a03-822a-42c1b5c78ebf.html.

³⁷⁴ Press Release, Honor Bank, Honor Bank to Open New Downtown Traverse City Location (Nov. 13, 2018), <https://blog.myhonorbank.com/downtown-traverse-city-location>.

F. Traverse City Bank Profiles

First National Bancshares, Inc. is the family-owned holding company for First National Bank of America, headquartered in East Lansing, Michigan. As of June 30, 2020, First National Bank had total assets of \$2.7 billion, total U.S. deposits of \$1.7 billion, total loans of \$2.5 billion, three branches, and a C&I loan-to-total assets ratio of 0.3%. First National is primarily a mortgage lender with \$2.3 billion of its loans in 1-4 family mortgages.

In addition to a Traverse City office, First National has two other branches in the Lansing and Grand Rapids markets, and it has partnered with Allpoint to bring its customers access to a surcharge-free network of 55,000 ATMs.

Despite its retail focus, First National offers business checking and savings accounts, SBA loans, commercial real estate loans, business lines of credit, accounts receivable financing, and startup financing.³⁷⁵ Business services include payment processing, online banking, and remote deposit capture.³⁷⁶

Alden State Bank is a full-service community bank headquartered in Alden, Michigan with four branches in the Traverse City and Petoskey, Michigan, banking markets. Alden prides itself on being locally owned and operated with a focus on “keeping our deposit money working in our local area in the form of loans.”³⁷⁷ As of June 30, 2020, Alden had total assets of \$227.4 million, total U.S. deposits of \$198.8 million, total loans of \$158.6 million, and a C&I loan-to-total assets ratio of 11.0%. Assets have grown 30% and

³⁷⁵ First National Bank of America, Business Checking & Savings, <https://www.fnba.com/business-checking-savings/> and First National Bank of America, Business Loans, <https://www.fnba.com/business-loans/>.

³⁷⁶ First National Bank of America, Business Banking Solutions, <https://www.fnba.com/business-banking-solutions/>.

³⁷⁷ Alden State Bank, Commercial Loans, <https://www.alden.bank/business/commercial-loans>.

deposits 32% from December 2017 to September 2020 while C&I loans have more than doubled.

Harbor Springs Financial Corporation, is the family-owned parent of First Community Bank based in Harbor Springs, Michigan. It operates six full-service branches and four standalone drive-thru facilities across the Petoskey, Traverse City, Grand Rapids, and Detroit markets. It entered both the Detroit and Grand Rapids markets in 2020.³⁷⁸ As of June 30, 2020, First Community Bank had total assets of \$362.0 million, total U.S. deposits of \$303.4 million, total loans of \$298.6 million, and a C&I loan-to-total assets ratio of 17.0%. First Community offers a full range of retail and business banking products and services to its customers including investments and estate planning through Cetera Investment Advisors and merchant processing services.³⁷⁹ Its commercial lending is supported by a team of six lenders – two are located in the Traverse City market.³⁸⁰

* * * * *

CONCLUSION

As shown by the foregoing, based on all the facts of record, including the parties' divestiture proposal, consummation of the proposed transaction would not have a substantial adverse effect on competition in any market, under the DOJ Bank Merger

³⁷⁸ See Rachel Watson, First Community Bank Opens Cascade Office, GRAND RAPIDS BUSINESS JOURNAL (Oct. 14, 2020), <https://grbj.com/news/banking-finance/first-community-bank-opens-cascade-office/> and LocalHop, BBChamber Ribbon Cutting Ceremony – First Community Bank (Apr. 14, 2020), <https://events.getlocalhop.com/bbchamber-ribbon-cutting-ceremony-first-community-bank/event/uvjeU7LqZT/>.

³⁷⁹ First Community Bank, Home, <https://www.firstcb.com/>.

³⁸⁰ First Community Bank, Business Loans, <https://www.firstcb.com/business/loans>.

Guidelines and Board precedent. Accordingly, competitive considerations of the proposed transaction are consistent with approval of the Application.

Banking Market**Banking Market Definition**

Chicago, IL-WI	Cook County, DuPage County, Lake County, Will County, Kane County, McHenry County, Kendall County, DeKalb County, Grundy County, Kankakee County; plus, Milks Grove, Chebanse, Papineau, Beaverville, Ashkum, Martinton, and Beaver townships of Iroquois County; plus Roger, Mona, Pella, and Brenton Townships in Ford County, all in Illinois; and Pleasant Prairie, Bristol, Salem, and Randall townships in Kenosha County, Wisconsin
Elkhart/Niles/South Bend, IN-MI	Elkhart, St. Joseph, Kosciusko, LaGrange and Marshall Counties, Indiana; Davis, Oregon, Washington, and North Bend (including the entire city of Bass Lake) townships in Starke County, Indiana; Cass County, Michigan; Buchanan, Niles and Bertrand townships in Berrien County, Michigan; the Southern half of St. Joseph County, Michigan (Constantine, Florence, Sherman, Burr Oak, Mottville, White Pigeon, Sturgis, and Fawn River Townships)
Alma, MI	Gratiot County, Michigan
Alpena, MI	Alpena County; Presque Isle County; Mitchell, Caledonia, Alcona, Haynes townships of Alcona County; Montmorency, Hillman, Avery, Loud, and Rust townships of Montmorency County; all in Michigan
Bay City-Saginaw, MI	Bay County; Saginaw County; Tuscola County except Elmwood and Elkland townships; Arenac County except Mason, Turner, and Whitney townships; all in Michigan
Cadillac, MI	Missaukee County; Wexford County; Osceola County except Richmond, Hersey, Evart, and Orient townships; all in Michigan
Calhoun County, MI	Calhoun County, Michigan
Coldwater, MI	Branch County, Michigan
Detroit, MI	Oakland County; Macomb County; Wayne County; Lapeer County; Genesee County; Washtenaw County; St. Clair County; Livingston County; Lenawee County; Shiawassee County; Monroe County (except Whiteford, Bedford, and Erie townships); Sanilac County (except Greenleaf, Austin, Argyle, Moore, Minden, Wheatland, Delaware, and Forester townships); all in Michigan
Gaylord, MI	Otsego County; Oscoda County; Vienna, Briley, and Albert townships of Montmorency County; all in Michigan
Gladwin-Midland, MI	Gladwin County, Michigan; Midland County, Michigan
Grand Rapids, MI	Allegan County; Barry County; Ionia County; Kent County; Mecosta County; Montcalm County; Muskegon County; Newaygo County; Oceana County; Ottawa County; Newkirk, Dover, Ellsworth, Cherry Valley, Pinona, Yates, and Chase townships of Lake County; Richmond, Evart, Hersey, and Orient townships of Osceola County; all in Michigan
Kalamazoo-Battle Creek, MI	Kalamazoo County; Van Buren County; Flowerfield, Park, Mendon, Leonidas, Fabius, Lockport, Nottawa, and Colon townships of St. Joseph County; all in Michigan
Ludington, MI	Mason County; Elk, Eden, Sauble, Peacock, Sweetwater, Webber, Lake, and Pleasant Plains townships of Lake County; Onekama, Bear Lake, Manistee, Brown, Dickson, Filer, Stronach, and Norman townships of Manistee County; all in Michigan
Petoskey, MI	Charlevoix County; Emmet County; Cheboygan County; Banks, Central Lake, Echo, Jordan, and Warner townships of Antrim County; all in Michigan
Roscommon, MI	Crawford County, Michigan; Roscommon County, Michigan
Traverse City, MI	Antrim County (except Banks, Central Lake, Echo, Jordan, and Warner townships); Benzie County; Grand Traverse County; Kalkaska County; Leelanau County; Arcadia, Pleasanton, Springdale, Cleon, Maple Grove, and Marilla townships of Manistee County; all in Michigan
Akron, OH	Summit County, OH (minus Sagamore Hills, Northfield Center, Twinsburg, Richfield and Boston townships, the villages adjoining these townships, and the cities of Twinsburg, Macedonia and Hudson); Franklin, Ravenna, Charlestown, Paris, Brimfield, Rootstown, Edinburg, Palmyra, Suffield, Randolph, Atwater and Deerfield townships, and the city of Kent in Portage County, Ohio; Guilford, Wadsworth and Sharon townships, and the city of Wadsworth in Medina County, OH; Lawrence and Lake townships in Stark County, Ohio; and Milton and Chippewa townships, and the villages adjoining these townships, in Wayne County, Ohio
Cleveland, OH	Cuyahoga, Lake, Lorain and Geauga Counties, OH; Sagamore Hills, Northfield Center, Twinsburg, Richfield and Boston townships, the villages surrounding these townships, and the cities of Macedonia, Twinsburg and Hudson in Summit County, Ohio; Homer, Harrisville, Westfield, Spencer, Chatham, Lafayette, Montville, Litchfield, York, Medina, Granger, Liverpool, Brunswick Hills and Hinckley townships, and the cities of Medina and Brunswick in Medina County, Ohio; Mantua, Hiram, Nelson, Shalersville, Freedom and Windham townships, and the cities of Aurora and Streetsboro in Portage County, Ohio; and the city of Vermilion (not whole township) in Erie County, Ohio
Youngstown-Warren, OH-WV	Columbiana County, Ohio; Mahoning County, Ohio (minus Smith township); Trumbull County, Ohio (minus Brookfield and Hartford townships); and Grant district in Hancock County, West Virginia

Depository Institutions and Market Share

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls Weighted 50%	Share
<u>Cadillac, MI Fed Banking Market</u>							
TCF Financial Corporation	Bank	4	30.77	277,603	36.65	277,603	36.65
Huntington Bancshares Incorporated 1/	Bank	3	23.08	197,393	26.06	197,393	26.06
Fifth Third Bancorp	Bank	1	7.69	119,296	15.75	119,296	15.75
Mercantile Bank Corporation	Bank	2	15.38	90,414	11.94	90,414	11.94
Lake Financial Corporation	Bank	2	15.38	53,113	7.01	53,113	7.01
Honor Bancorp, Inc.	Bank	1	7.69	19,613	2.59	19,613	2.59
Total		13	100.00	757,432	100.00	757,432	100.00
Huntington Bancshares Incorporated 1/	Bank	4	30.77	197,393	26.06	197,393	26.06
TCF Financial Corporation	Bank	4	30.77	277,603	36.65	277,603	36.65
Post Merger		8	61.54	474,996	62.71	474,996	62.71
Pre-merger HHI		2,071.0		2,468.9		2,468.9	
Change		1,893.5		1,910.3		1,910.3	
Post-merger HHI		3,964.5		4,379.1		4,379.1	

1/ Branch count excludes a drive-thru facility at 138 W Harris St, Cadillac, MI that reported only \$10,000 in deposits as of 6/30/2020.

Depository Institutions and Market Share
Including Credit Unions Accessible to 80% of the Market's Population

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	All		Retail		Total		Select CUs		Select CUs	
		Branches	Share	Branches	Share	Deposits	Share	Weighted 50%	Share	Weighted 50%	Share
											>2% C&I at 100%
<u>Cadillac, MI Fed Banking Market</u>											
TCF Financial Corporation	Bank	4	20.00	4	23.53	277,603	29.03	277,603	33.66	277,603	32.88
Huntington Bancshares Incorporated 1/	Bank	3	15.00	3	17.65	197,393	20.65	197,393	23.94	197,393	23.38
Fifth Third Bancorp	Bank	1	5.00	1	5.88	119,296	12.48	119,296	14.47	119,296	14.13
Mercantile Bank Corporation	Bank	2	10.00	2	11.76	90,414	9.46	90,414	10.96	90,414	10.71
Wexford Community CU (100%)	CU	2	10.00	2	11.76	64,614	6.76	32,307	3.92	32,307	3.83
Forest Area FCU (73%)	CU	3	15.00	-	-	64,235	6.72	-	-	-	-
Lake Financial Corporation	Bank	2	10.00	2	11.76	53,113	5.56	53,113	6.44	53,113	6.29
4Front CU (100%) (2.0% C&I/Assets)	CU	1	5.00	1	5.88	39,179	4.10	19,589	2.38	39,179	4.64
West Michigan CU (100%)	CU	1	5.00	1	5.88	30,639	3.20	15,320	1.86	15,320	1.81
Honor Bancorp, Inc.	Bank	1	5.00	1	5.88	19,613	2.05	19,613	2.38	19,613	2.32
Total		20	100.00	17	100.00	956,099	100.00	824,648	100.00	844,237	100.00
Total Credit Unions		4	35.00	4	23.53	198,667	20.78	67,216	8.15	86,805	10.28
Huntington Bancshares Incorporated 1/	Bank	3	15.00	3	17.65	197,393	20.65	197,393	23.94	197,393	23.38
TCF Financial Corporation	Bank	4	20.00	4	23.53	277,603	29.03	277,603	33.66	277,603	32.88
Post Merger		7	35.00	7	41.18	474,996	49.68	474,996	57.60	474,996	56.26
Pre-merger HHI		1,250.0		1,418.7		1,667.3		2,107.2		2,026.7	
Change		600.0		830.4		1,198.9		1,611.6		1,537.6	
Post-merger HHI		1,850.0		2,249.1		2,866.2		3,718.8		3,564.4	

1/ Branch count excludes a drive-thru facility at 138 W Harris St, Cadillac, MI that reported only \$10,000 in deposits as of 6/30/2020.

Small Business Loan Originations

2019 CRA Data

Institution	Data Source	Volume of Loans (\$000)									
		Business Loans < \$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
			Share		Share		Share		Share		Share
<u>Cadillac, MI Fed Banking Market</u>											
TCF Financial Corporation	Reported	2,721	24.74	2,751	28.79	8,003	39.90	10,754	36.31	13,475	33.18
Mercantile Bank Corporation	Reported	1,815	16.50	4,224	44.21	5,957	29.70	10,181	34.38	11,996	29.54
Honor Bancorp, Inc.	Estimated	277	2.52	880	9.21	2,891	14.41	3,771	12.73	4,048	9.97
Independent Bank Corporation	Reported	-	-	578	6.05	1,681	8.38	2,259	7.63	2,259	5.56
Huntington Bancshares Incorporated	Reported	897	8.16	721	7.55	1,528	7.62	2,249	7.59	3,146	7.75
Fifth Third Bancorp	Reported	403	3.66	200	2.09	-	-	200	0.68	603	1.48
Comerica Incorporated	Reported	-	-	200	2.09	-	-	200	0.68	200	0.49
JPMorgan Chase & Co.	Reported	1,095	9.96	-	-	-	-	-	-	1,095	2.70
Capital One Financial Corporation	Reported	558	5.07	-	-	-	-	-	-	558	1.37
American Express Company	Reported	531	4.83	-	-	-	-	-	-	531	1.31
Citigroup Inc.	Reported	506	4.60	-	-	-	-	-	-	506	1.25
Citizens Financial Group, Inc.	Reported	286	2.60	-	-	-	-	-	-	286	0.70
Wells Fargo & Company	Reported	252	2.29	-	-	-	-	-	-	252	0.62
CIT Group Inc.	Reported	231	2.10	-	-	-	-	-	-	231	0.57
Bank of America Corporation	Reported	226	2.05	-	-	-	-	-	-	226	0.56
Lauritzen Corporation	Reported	212	1.93	-	-	-	-	-	-	212	0.52
Stearns Financial Services, Inc.	Reported	155	1.41	-	-	-	-	-	-	155	0.38
Deere & Company	Reported	103	0.94	-	-	-	-	-	-	103	0.25
U.S. Bancorp	Reported	92	0.84	-	-	-	-	-	-	92	0.23
KeyCorp	Reported	83	0.75	-	-	-	-	-	-	83	0.20
Ameris Bancorp	Reported	79	0.72	-	-	-	-	-	-	79	0.19
WEX Bank	Reported	66	0.60	-	-	-	-	-	-	66	0.16
Isabella Bank Corporation	Reported	65	0.59	-	-	-	-	-	-	65	0.16
Axos Financial, Inc.	Reported	61	0.55	-	-	-	-	-	-	61	0.15
Bank of Montreal	Reported	52	0.47	-	-	-	-	-	-	52	0.13
Synchrony Financial	Reported	45	0.41	-	-	-	-	-	-	45	0.11
PNC Financial Services Group, Inc.	Reported	43	0.39	-	-	-	-	-	-	43	0.11
Texas Capital Bancshares, Inc.	Reported	37	0.34	-	-	-	-	-	-	37	0.09
Total		10,998	100.00	9,554	100.00	20,060	100.00	29,614	100.00	40,612	100.00
Huntington Bancshares Incorporated	Reported	897	8.16	721	7.55	1,528	7.62	2,249	7.59	3,146	7.75
TCF Financial Corporation	Reported	2,721	24.74	2,751	28.79	8,003	39.90	10,754	36.31	13,475	33.18
Combined		3,618	32.90	3,472	36.34	9,531	47.51	13,003	43.91	16,621	40.93
Pre-merger HHI		1,171.0		2,971.0		2,809.4		2,779.6		2,180.9	
Change		403.6		434.6		607.8		551.6		514.1	
Post-merger HHI		1,574.6		3,405.6		3,417.2		3,331.1		2,694.9	

Market approximated by Missaukee and Wexford counties, MI.

Small Business Loan Originations
2019 CRA Data

Institution	Data Source	Number of Loans									
		Business Loans < \$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
			Share		Share		Share		Share		Share
<u>Cadillac, MI Fed Banking Market</u>											
TCF Financial Corporation	Reported	62	10.27	17	30.86	16	40.24	33	34.79	95	13.60
Mercantile Bank Corporation	Reported	41	6.79	22	39.93	11	27.67	33	34.79	74	10.60
Honor Bancorp, Inc.	Estimated	10	1.58	7	12.88	8	19.52	15	15.66	24	3.49
Independent Bank Corporation	Reported	-	-	3	5.45	3	7.55	6	6.33	6	0.86
Huntington Bancshares Incorporated	Reported	32	5.30	4	7.26	2	5.03	6	6.33	38	5.44
Fifth Third Bancorp	Reported	9	1.49	1	1.82	-	-	1	1.05	10	1.43
Comerica Incorporated	Reported	-	-	1	1.82	-	-	1	1.05	1	0.14
JPMorgan Chase & Co.	Reported	95	15.74	-	-	-	-	-	-	95	13.60
Capital One Financial Corporation	Reported	61	10.11	-	-	-	-	-	-	61	8.73
American Express Company	Reported	63	10.44	-	-	-	-	-	-	63	9.02
Citigroup Inc.	Reported	96	15.91	-	-	-	-	-	-	96	13.75
Citizens Financial Group, Inc.	Reported	6	0.99	-	-	-	-	-	-	6	0.86
Wells Fargo & Company	Reported	5	0.83	-	-	-	-	-	-	5	0.72
CIT Group Inc.	Reported	6	0.99	-	-	-	-	-	-	6	0.86
Bank of America Corporation	Reported	18	2.98	-	-	-	-	-	-	18	2.58
Lauritzen Corporation	Reported	18	2.98	-	-	-	-	-	-	18	2.58
Stearns Financial Services, Inc.	Reported	5	0.83	-	-	-	-	-	-	5	0.72
Deere & Company	Reported	7	1.16	-	-	-	-	-	-	7	1.00
U.S. Bancorp	Reported	11	1.82	-	-	-	-	-	-	11	1.58
KeyCorp	Reported	1	0.17	-	-	-	-	-	-	1	0.14
Ameris Bancorp	Reported	5	0.83	-	-	-	-	-	-	5	0.72
WEX Bank	Reported	7	1.16	-	-	-	-	-	-	7	1.00
Isabella Bank Corporation	Reported	2	0.33	-	-	-	-	-	-	2	0.29
Axos Financial, Inc.	Reported	2	0.33	-	-	-	-	-	-	2	0.29
Bank of Montreal	Reported	2	0.33	-	-	-	-	-	-	2	0.29
Synchrony Financial	Reported	13	2.15	-	-	-	-	-	-	13	1.86
PNC Financial Services Group, Inc.	Reported	6	0.99	-	-	-	-	-	-	6	0.86
Texas Capital Bancshares, Inc.	Reported	6	0.99	-	-	-	-	-	-	6	0.86
Total		604	100.00	55	100.00	40	100.00	95	100.00	698	100.00
Huntington Bancshares Incorporated	Reported	32	5.30	4	7.26	2	5.03	6	6.33	38	5.44
TCF Financial Corporation	Reported	62	10.27	17	30.86	16	40.24	33	34.79	95	13.60
Combined		94	15.58	21	38.12	18	45.27	39	41.12	133	19.04
Pre-merger HHI		932.9		2,801.4		2,847.9		2,748.2		900.8	
Change		108.9		448.1		404.8		440.1		148.0	
Post-merger HHI		1,041.8		3,249.4		3,252.7		3,188.3		1,048.8	

Market approximated by Missaukee and Wexford counties, MI.

Depository Institutions and Market Share

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls Weighted 50%	Share
<u>Gaylord, MI Fed Banking Market</u>							
Fifth Third Bancorp	Bank	1	9.09	196,784	29.59	196,784	29.59
TCF Financial Corporation	Bank	2	18.18	192,632	28.97	192,632	28.97
Huntington Bancshares Incorporated	Bank	3	27.27	121,685	18.30	121,685	18.30
Mackinac Financial Corporation	Bank	3	27.27	111,919	16.83	111,919	16.83
Mercantile Bank Corporation	Bank	1	9.09	28,887	4.34	28,887	4.34
Central-State Bancorp, Inc.	Bank	1	9.09	13,024	1.96	13,024	1.96
Total		11	100.00	664,931	100.00	664,931	100.00
Huntington Bancshares Incorporated	Bank	3	27.27	121,685	18.30	121,685	18.30
TCF Financial Corporation	Bank	2	18.18	192,632	28.97	192,632	28.97
Post Merger		5	45.45	314,317	47.27	314,317	47.27
Pre-merger HHI		2,066.1		2,356.0		2,356.0	
Change		991.7		1,060.3		1,060.3	
Post-merger HHI		3,057.9		3,416.4		3,416.4	

Depository Institutions and Market Share
Including Credit Unions Accessible to 80% of the Market's Population

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	All		Retail		Total		Select CUs		Select CUs	
		Branches	Share	Branches	Share	Deposits	Share	Weighted 50%	Share	Weighted 50%	Share
>2% C&I at 100%											
<u>Gaylord, MI Fed Banking Market</u>											
Community Financial CU (100%)	CU	4	20.00	4	21.05	288,248	25.58	144,124	16.30	144,124	15.43
Fifth Third Bancorp	Bank	1	5.00	1	5.26	196,784	17.46	196,784	22.25	196,784	21.07
TCF Financial Corporation	Bank	2	10.00	2	10.53	192,632	17.10	192,632	21.78	192,632	20.63
Huntington Bancshares Incorporated	Bank	3	15.00	3	15.79	121,685	10.80	121,685	13.76	121,685	13.03
Mackinac Financial Corporation	Bank	3	15.00	3	15.79	111,919	9.93	111,919	12.65	111,919	11.99
Northland Area FCU (100%) (2.0% C&I/Assets)	CU	3	15.00	3	15.79	98,781	8.77	49,391	5.58	98,781	10.58
Alpena-Alcona Area CU (100%)	CU	1	5.00	1	5.26	51,932	4.61	25,966	2.94	25,966	2.78
Mercantile Bank Corporation	Bank	1	5.00	1	5.26	28,887	2.56	28,887	3.27	28,887	3.09
Awakon FCU (78%)	CU	1	5.00	-	-	22,869	2.03	-	-	-	-
Central-State Bancorp, Inc.	Bank	1	5.00	1	5.26	13,024	1.16	13,024	1.47	13,024	1.39
Total		20	100.00	19	100.00	1,126,760	100.00	884,411	100.00	933,802	100.00
Total Credit Unions		4	45.00	8	42.11	461,829	40.99	219,480	24.82	268,871	28.79
Huntington Bancshares Incorporated	Bank	3	15.00	3	15.79	121,685	10.80	121,685	13.76	121,685	13.03
TCF Financial Corporation	Bank	<u>2</u>	<u>10.00</u>	<u>2</u>	<u>10.53</u>	<u>192,632</u>	<u>17.10</u>	<u>192,632</u>	<u>21.78</u>	<u>192,632</u>	<u>20.63</u>
Post Merger		5	25.00	5	26.32	314,317	27.90	314,317	35.54	314,317	33.66
Pre-merger HHI		1,300.0		1,412.7		1,577.1		1,637.1		1,552.5	
Change		300.0		332.4		369.3		599.4		537.6	
Post-merger HHI		1,600.0		1,745.2		1,946.4		2,236.5		2,090.1	

Small Business Loan Originations

2019 CRA Data

Institution	Data Source	Volume of Loans (\$000)									
		Business Loans <\$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
		<\$100K	Share	\$100K-\$250K	Share	\$250K-\$1M	Share	100K-\$1M	Share	<\$1M	Share
<u>Gaylord, MI Fed Banking Market</u>											
TCF Financial Corporation	Reported	1,855	21.35	2,916	29.61	9,885	42.50	12,801	38.67	14,656	35.07
Fifth Third Bancorp	Reported	720	8.29	2,561	26.01	5,577	23.98	8,138	24.58	8,858	21.19
Mercantile Bank Corporation	Reported	371	4.27	960	9.75	1,575	6.77	2,535	7.66	2,906	6.95
Central-State Bancorp, Inc.	Estimated	305	3.51	602	6.11	1,787	7.68	2,389	7.22	2,694	6.45
Mackinac Financial Corporation	Reported	726	8.36	1,033	10.49	988	4.25	2,021	6.10	2,747	6.57
Wells Fargo & Company	Reported	478	5.50	258	2.62	1,600	6.88	1,858	5.61	2,336	5.59
Huntington Bancshares Incorporated	Reported	318	3.66	271	2.75	1,221	5.25	1,492	4.51	1,810	4.33
Independent Bank Corporation	Reported	100	1.15	-	-	625	2.69	625	1.89	725	1.73
Zions Bancorporation, National Association	Reported	-	-	360	3.66	-	-	360	1.09	360	0.86
Bank of Montreal	Reported	90	1.04	272	2.76	-	-	272	0.82	362	0.87
Level One Bancorp, Inc.	Reported	-	-	244	2.48	-	-	244	0.74	244	0.58
First National Bancshares, Inc.	Reported	-	-	235	2.39	-	-	235	0.71	235	0.56
First Merchants Corporation	Reported	-	-	135	1.37	-	-	135	0.41	135	0.32
American Express Company	Reported	1,144	13.17	-	-	-	-	-	-	1,144	2.74
JPMorgan Chase & Co.	Reported	821	9.45	-	-	-	-	-	-	821	1.96
Capital One Financial Corporation	Reported	386	4.44	-	-	-	-	-	-	386	0.92
Citigroup Inc.	Reported	249	2.87	-	-	-	-	-	-	249	0.60
Synchrony Financial	Reported	235	2.70	-	-	-	-	-	-	235	0.56
Bank of America Corporation	Reported	167	1.92	-	-	-	-	-	-	167	0.40
Wintrust Financial Corporation	Reported	166	1.91	-	-	-	-	-	-	166	0.40
PNC Financial Services Group, Inc.	Reported	157	1.81	-	-	-	-	-	-	157	0.38
U.S. Bancorp	Reported	116	1.34	-	-	-	-	-	-	116	0.28
Lauritzen Corporation	Reported	85	0.98	-	-	-	-	-	-	85	0.20
KeyCorp	Reported	59	0.68	-	-	-	-	-	-	59	0.14
Ameris Bancorp	Reported	55	0.63	-	-	-	-	-	-	55	0.13
WEX Bank	Reported	33	0.38	-	-	-	-	-	-	33	0.08
Truist Financial Corporation	Reported	20	0.23	-	-	-	-	-	-	20	0.05
CIT Group Inc.	Reported	10	0.12	-	-	-	-	-	-	10	0.02
Stearns Financial Services, Inc.	Reported	10	0.12	-	-	-	-	-	-	10	0.02
Discover Financial Services	Reported	6	0.07	-	-	-	-	-	-	6	0.01
Pinnacle Financial Partners, Inc.	Reported	6	0.07	-	-	-	-	-	-	6	0.01
Texas Capital Bancshares, Inc.	Reported	1	0.01	-	-	-	-	-	-	1	0.00
Total		8,689	100.00	9,847	100.00	23,258	100.00	33,105	100.00	41,794	100.00
Huntington Bancshares Incorporated	Reported	318	3.66	271	2.75	1,221	5.25	1,492	4.51	1,810	4.33
TCF Financial Corporation	Reported	1,855	21.35	2,916	29.61	9,885	42.50	12,801	38.67	14,656	35.07
Combined		2,173	25.01	3,187	32.37	11,106	47.75	14,293	43.17	16,466	39.40
Pre-merger HHI		983.2		1,845.0		2,586.4		2,305.9		1,880.8	
Change		156.3		163.0		446.2		348.5		303.7	
Post-merger HHI		1,139.5		2,008.0		3,032.6		2,654.5		2,184.5	

Market approximated by Oscoda and Otsego counties, MI.

Small Business Loan Originations

2019 CRA Data

Institution	Data Source	Number of Loans									
		Business Loans < \$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
			Share		Share		Share		Share		Share
<u>Gaylord, MI Fed Banking Market</u>											
TCF Financial Corporation	Reported	34	6.55	17	29.40	18	39.70	35	33.93	69	11.09
Fifth Third Bancorp	Reported	21	4.05	13	22.48	10	22.06	23	22.29	44	7.07
Mercantile Bank Corporation	Reported	10	1.93	5	8.65	3	6.62	8	7.75	18	2.89
Central-State Bancorp, Inc.	Estimated	11	2.10	6	10.08	4	9.57	10	9.86	21	3.39
Mackinac Financial Corporation	Reported	14	2.70	6	10.38	2	4.41	8	7.75	22	3.54
Wells Fargo & Company	Reported	11	2.12	2	3.46	4	8.82	6	5.82	17	2.73
Huntington Bancshares Incorporated	Reported	21	4.05	2	3.46	3	6.62	5	4.85	26	4.18
Independent Bank Corporation	Reported	1	0.19	-	-	1	2.21	1	0.97	2	0.32
Zions Bancorporation, National Association	Reported	-	-	2	3.46	-	-	2	1.94	2	0.32
Bank of Montreal	Reported	2	0.39	2	3.46	-	-	2	1.94	4	0.64
Level One Bancorp, Inc.	Reported	-	-	1	1.73	-	-	1	0.97	1	0.16
First National Bancshares, Inc.	Reported	-	-	1	1.73	-	-	1	0.97	1	0.16
First Merchants Corporation	Reported	-	-	1	1.73	-	-	1	0.97	1	0.16
American Express Company	Reported	101	19.46	-	-	-	-	-	-	101	16.24
JPMorgan Chase & Co.	Reported	77	14.84	-	-	-	-	-	-	77	12.38
Capital One Financial Corporation	Reported	41	7.90	-	-	-	-	-	-	41	6.59
Citigroup Inc.	Reported	52	10.02	-	-	-	-	-	-	52	8.36
Synchrony Financial	Reported	48	9.25	-	-	-	-	-	-	48	7.72
Bank of America Corporation	Reported	13	2.51	-	-	-	-	-	-	13	2.09
Wintrust Financial Corporation	Reported	12	2.31	-	-	-	-	-	-	12	1.93
PNC Financial Services Group, Inc.	Reported	5	0.96	-	-	-	-	-	-	5	0.80
U.S. Bancorp	Reported	23	4.43	-	-	-	-	-	-	23	3.70
Lauritzen Corporation	Reported	7	1.35	-	-	-	-	-	-	7	1.13
KeyCorp	Reported	1	0.19	-	-	-	-	-	-	1	0.16
Ameris Bancorp	Reported	1	0.19	-	-	-	-	-	-	1	0.16
WEX Bank	Reported	4	0.77	-	-	-	-	-	-	4	0.64
Truist Financial Corporation	Reported	3	0.58	-	-	-	-	-	-	3	0.48
CIT Group Inc.	Reported	1	0.19	-	-	-	-	-	-	1	0.16
Stearns Financial Services, Inc.	Reported	1	0.19	-	-	-	-	-	-	1	0.16
Discover Financial Services	Reported	2	0.39	-	-	-	-	-	-	2	0.32
Pinnacle Financial Partners, Inc.	Reported	1	0.19	-	-	-	-	-	-	1	0.16
Texas Capital Bancshares, Inc.	Reported	1	0.19	-	-	-	-	-	-	1	0.16
Total		519	100.00	58	100.00	45	100.00	103	100.00	622	100.00
Huntington Bancshares Incorporated	Reported	21	4.05	2	3.46	3	6.62	5	4.85	26	4.18
TCF Financial Corporation	Reported	34	6.55	17	29.40	18	39.70	35	33.93	69	11.09
Combined		55	10.60	19	32.85	21	46.32	40	38.77	95	15.27
Pre-merger HHI		978.6		1,710.3		2,344.0		1,933.9		845.3	
Change		53.0		203.3		525.4		328.8		92.7	
Post-merger HHI		1,031.6		1,913.7		2,869.4		2,262.8		938.0	

Market approximated by Oscoda and Otsego counties, MI.

Depository Institutions and Market Share

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls Weighted 50%	Share
<u>Gladwin-Midland, MI Fed Banking Market</u>							
TCF Financial Corporation 1/	Bank	8	42.11	1,532,151	66.90	1,532,151	66.90
Horizon Bancorp, Inc.	Bank	1	5.26	255,285	11.15	255,285	11.15
PNC Financial Services Group, Inc.	Bank	2	10.53	144,118	6.29	144,118	6.29
Comerica Incorporated	Bank	2	10.53	114,614	5.00	114,614	5.00
Huntington Bancshares Incorporated	Bank	2	10.53	91,967	4.02	91,967	4.02
Isabella Bank Corporation	Bank	2	10.53	69,496	3.03	69,496	3.03
Fifth Third Bancorp	Bank	1	5.26	57,831	2.53	57,831	2.53
1st State Financial, Ltd.	Bank	1	5.26	24,819	1.08	24,819	1.08
Total		19	100.00	2,290,281	100.00	2,290,281	100.00
Huntington Bancshares Incorporated	Bank	2	10.53	91,967	4.02	91,967	4.02
TCF Financial Corporation 1/ Post Merger	Bank	<u>11</u>	<u>57.89</u>	<u>1,532,151</u>	<u>66.90</u>	<u>1,532,151</u>	<u>66.90</u>
		13	68.42	1,624,118	70.91	1,624,118	70.91
Pre-merger HHI		2,299.2		4,697.1		4,697.1	
Change		1,218.8		537.3		537.3	
Post-merger HHI		3,518.0		5,234.4		5,234.4	

1/ Branch count excludes three locations that are not retail branches and reported no deposits as of June 30, 2020 including:

Operations center at 1315 Washington St, Midland, MI.

Trust office at 235 E Main St, Midland, MI.

Drive-thru at 310 E Lark St, Midland, MI.

Depository Institutions and Market Share
Including Credit Unions Accessible to 80% of the Market's Population

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	All		Retail		Total		Select CUs		Select CUs		
		Branches	Share	Branches	Share	Deposits	Share	Weighted 50%	Share	Weighted 50%	Share	
											>2% C&I at 100%	
<u>Gladwin-Midland, MI Fed Banking Market</u>												
Dow Chemical Employees' CU (100%)	CU	1	4.00	1	4.00	1,674,313	38.40	837,157	25.18	837,157	25.05	
TCF Financial Corporation 1/	Bank	8	32.00	8	32.00	1,532,151	35.14	1,532,151	46.08	1,532,151	45.84	
Horizon Bancorp, Inc.	Bank	1	4.00	1	4.00	255,285	5.85	255,285	7.68	255,285	7.64	
Wildfire CU (100%)	CU	1	4.00	1	4.00	208,361	4.78	104,180	3.13	104,180	3.12	
Members First CU (100%)	CU	3	12.00	3	12.00	153,001	3.51	76,500	2.30	76,500	2.29	
PNC Financial Services Group, Inc.	Bank	2	8.00	2	8.00	144,118	3.31	144,118	4.33	144,118	4.31	
Comerica Incorporated	Bank	2	8.00	2	8.00	114,614	2.63	114,614	3.45	114,614	3.43	
Huntington Bancshares Incorporated	Bank	2	8.00	2	8.00	91,967	2.11	91,967	2.77	91,967	2.75	
Isabella Bank Corporation	Bank	2	8.00	2	8.00	69,496	1.59	69,496	2.09	69,496	2.08	
Fifth Third Bancorp	Bank	1	4.00	1	4.00	57,831	1.33	57,831	1.74	57,831	1.73	
Frankenmuth CU (100%) (2.7% C&I/Assets)	CU	1	4.00	1	4.00	34,286	0.79	17,143	0.52	34,286	1.03	
1st State Financial, Ltd.	Bank	1	4.00	1	4.00	24,819	0.57	24,819	0.75	24,819	0.74	
Total		25	100.00	25	100.00	4,360,241	100.00	3,325,261	100.00	3,342,404	100.00	
Total Credit Unions		4	6	6	24.00	2,069,960	47.47	1,034,980	31.12	1,052,123	31.48	
Huntington Bancshares Incorporated	Bank	2	8.00	2	8.00	91,967	2.11	91,967	2.77	91,967	2.75	
TCF Financial Corporation 1/	Bank	8	32.00	8	32.00	1,532,151	35.14	1,532,151	46.08	1,532,151	45.84	
Post Merger		10	40.00	10	40.00	1,624,118	37.25	1,624,118	48.84	1,624,118	48.59	
Pre-merger HHI		1,520.0		1,520.0		2,806.2		2,877.4		2,848.7		
Change		512.0		512.0		148.2		254.9		252.3		
Post-merger HHI		2,032.0		2,032.0		2,954.5		3,132.3		3,101.0		

1/ Branch count excludes three locations that are not retail branches and reported no deposits as of June 30, 2020 including:

Operations center at 1315 Washington St, Midland, MI.

Trust office at 235 E Main St, Midland, MI.

Drive-thru at 310 E Lark St, Midland, MI.

Gladwin-Midland, MI Credit Unions

Name	Total Assets (\$M)	Asset Growth (2015-Q2 2020)	Total Deposits/ In-Market (\$M)	Deposit Growth (2015-Q2 2020)	# of Branches/ # In-Market [^]	Network Member -ships	Full Range of Retail Products (Y/N)**	Advertises Business Products/ Services (Y/N)
Included at 50% Weight								
Dow Chemical Employee's CU	\$1,909.2	30.3%	\$1,674.3 / \$1,674.3	33.7%	1 / 1 *	CO-OP	Y	N
	Employees of 70+ companies and societies; Members of Midland Center for the Arts' Alden B. Dow Museum of Science & Art or Midland County Historical Society (100% of Gladwin-Midland market)							
	www.dcecu.org							
Wildfire CU	\$951.0	36.7%	\$833.4 / \$208.4	37.5%	4 / 1	CO-OP	Y	Y
	Live, work, worship, or attend a school in the State of Michigan (100% of Gladwin-Midland market)							
	www.wildfirecu.org							
Members First CU	\$664.8	79.5%	\$561.0 / \$153.0	70.3%	11 / 3 *	CO-OP	Y	Y
	Live, work, attend school, or worship within any county in the State of Michigan (100% of Gladwin-Midland market)							
	www.mfcu.net							
Included at 100% Weight								
Frankenmuth CU¹	\$865.2	120.5%	\$754.3 / \$34.3	113.8%	23 / 1	Xtend	Y	Y – 2.7% C&I
	Live, work, worship, or was educated in the State of Michigan (100% of Gladwin-Midland market)							
	www.frankenmuthcu.org							

[^]All branches are full-service and street-level (often with drive-thru lanes) unless otherwise noted.

* Including headquarters location.

** Offers checking, savings, CD deposit accounts; mortgages, auto, and consumer loans; and credit cards.

¹ Profiled in the Public Memorandum, *supra* notes 215-231.

Small Business Loan Originations
2019 CRA Data

Institution	Data Source	Volume of Loans (\$000)									
		Business Loans < \$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
			Share		Share		Share		Share		Share
<u>Gladwin-Midland, MI Fed Banking Market</u>											
TCF Financial Corporation	Reported	2,787	15.00	2,903	22.14	9,824	31.03	12,727	28.43	15,514	24.49
Isabella Bank Corporation	Reported	1,988	10.70	2,672	20.38	6,952	21.96	9,624	21.50	11,612	18.33
Horizon Bancorp, Inc.	Reported	822	4.42	2,003	15.28	4,282	13.53	6,285	14.04	7,107	11.22
1st State Financial, Ltd.	Estimated	462	2.49	967	7.38	2,904	9.17	3,871	8.65	4,333	6.84
PNC Financial Services Group, Inc.	Reported	1,563	8.41	1,330	10.15	900	2.84	2,230	4.98	3,793	5.99
Comerica Incorporated	Reported	440	2.37	647	4.94	1,300	4.11	1,947	4.35	2,387	3.77
Huntington Bancshares Incorporated	Reported	157	0.85	364	2.78	1,316	4.16	1,680	3.75	1,837	2.90
Truist Financial Corporation	Reported	60	0.32	108	0.82	979	3.09	1,087	2.43	1,147	1.81
JPMorgan Chase & Co.	Reported	2,458	13.23	-	-	1,000	3.16	1,000	2.23	3,458	5.46
Independent Bank Corporation	Reported	52	0.28	168	1.28	785	2.48	953	2.13	1,005	1.59
American Express Company	Reported	1,954	10.52	391	2.98	269	0.85	660	1.47	2,614	4.13
Fifth Third Bancorp	Reported	253	1.36	250	1.91	297	0.94	547	1.22	800	1.26
TriState Capital Holdings, Inc.	Reported	-	-	-	-	500	1.58	500	1.12	500	0.79
Mackinac Financial Corporation	Reported	100	0.54	133	1.01	350	1.11	483	1.08	583	0.92
Mercantile Bank Corporation	Reported	283	1.52	233	1.78	-	-	233	0.52	516	0.81
Arbor Bancorp, Inc.	Reported	-	-	222	1.69	-	-	222	0.50	222	0.35
Bank of Montreal	Reported	-	-	166	1.27	-	-	166	0.37	166	0.26
Cashmere Valley Bank	Reported	-	-	156	1.19	-	-	156	0.35	156	0.25
Wells Fargo & Company	Reported	945	5.09	138	1.05	-	-	138	0.31	1,083	1.71
Wintrust Financial Corporation	Reported	110	0.59	134	1.02	-	-	134	0.30	244	0.39
CIT Group Inc.	Reported	254	1.37	124	0.95	-	-	124	0.28	378	0.60
Capital One Financial Corporation	Reported	1,009	5.43	-	-	-	-	-	-	1,009	1.59
Citigroup Inc.	Reported	754	4.06	-	-	-	-	-	-	754	1.19
Lauritzen Corporation	Reported	456	2.45	-	-	-	-	-	-	456	0.72
U.S. Bancorp	Reported	443	2.38	-	-	-	-	-	-	443	0.70
Citizens Financial Group, Inc.	Reported	371	2.00	-	-	-	-	-	-	371	0.59
Bank of America Corporation	Reported	334	1.80	-	-	-	-	-	-	334	0.53
Synchrony Financial	Reported	162	0.87	-	-	-	-	-	-	162	0.26
WEX Bank	Reported	94	0.51	-	-	-	-	-	-	94	0.15
First National Bancshares, Inc.	Reported	56	0.30	-	-	-	-	-	-	56	0.09
Deere & Company	Reported	54	0.29	-	-	-	-	-	-	54	0.09
Discover Financial Services	Reported	52	0.28	-	-	-	-	-	-	52	0.08
Banco Bilbao Vizcaya Argentaria, SA	Reported	38	0.20	-	-	-	-	-	-	38	0.06
Pinnacle Financial Partners, Inc.	Reported	30	0.16	-	-	-	-	-	-	30	0.05
Texas Capital Bancshares, Inc.	Reported	22	0.12	-	-	-	-	-	-	22	0.03
Ameris Bancorp	Reported	8	0.04	-	-	-	-	-	-	8	0.01
Triumph Bancorp, Inc.	Reported	7	0.04	-	-	-	-	-	-	7	0.01
Total		18,578	100.00	13,109	100.00	31,658	100.00	44,767	100.00	63,345	100.00
Huntington Bancshares Incorporated	Reported	157	0.85	364	2.78	1,316	4.16	1,680	3.75	1,837	2.90
TCF Financial Corporation	Reported	2,787	15.00	2,903	22.14	9,824	31.03	12,727	28.43	15,514	24.49
Combined		2,944	15.85	3,267	24.92	11,140	35.19	14,407	32.18	17,351	27.39
Pre-merger HHI		827.1		1,356.7		1,785.5		1,622.6		1,232.7	
Change		25.4		123.0		258.0		213.4		142.0	
Post-merger HHI		852.4		1,479.7		2,043.5		1,836.0		1,374.8	

Market defined as Gladwin and Midland counties, MI.

Small Business Loan Originations
2019 CRA Data

Institution	Data Source	Number of Loans									
		Business Loans <\$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
			Share		Share		Share		Share		Share
<u>Gladwin-Midland, MI Fed Banking Market</u>											
TCF Financial Corporation	Reported	54	4.37	18	22.05	18	29.24	36	25.14	90	6.53
Isabella Bank Corporation	Reported	39	3.16	14	17.15	12	19.49	26	18.16	65	4.72
Horizon Bancorp, Inc.	Reported	15	1.21	12	14.70	7	11.37	19	13.27	34	2.47
1st State Financial, Ltd.	Estimated	15	1.24	10	11.81	10	15.53	19	13.41	35	2.51
PNC Financial Services Group, Inc.	Reported	129	10.44	8	9.80	2	3.25	10	6.98	139	10.08
Comerica Incorporated	Reported	8	0.65	3	3.67	3	4.87	6	4.19	14	1.02
Huntington Bancshares Incorporated	Reported	5	0.40	2	2.45	2	3.25	4	2.79	9	0.65
Truist Financial Corporation	Reported	8	0.65	1	1.22	2	3.25	3	2.09	11	0.80
JPMorgan Chase & Co.	Reported	219	17.73	-	-	1	1.62	1	0.70	220	15.96
Independent Bank Corporation	Reported	2	0.16	1	1.22	1	1.62	2	1.40	4	0.29
American Express Company	Reported	196	15.87	3	3.67	1	1.62	4	2.79	200	14.51
Fifth Third Bancorp	Reported	8	0.65	1	1.22	1	1.62	2	1.40	10	0.73
TriState Capital Holdings, Inc.	Reported	-	-	-	-	1	1.62	1	0.70	1	0.07
Mackinac Financial Corporation	Reported	1	0.08	1	1.22	1	1.62	2	1.40	3	0.22
Mercantile Bank Corporation	Reported	8	0.65	2	2.45	-	-	2	1.40	10	0.73
Arbor Bancorp, Inc.	Reported	-	-	1	1.22	-	-	1	0.70	1	0.07
Bank of Montreal	Reported	-	-	1	1.22	-	-	1	0.70	1	0.07
Cashmere Valley Bank	Reported	-	-	1	1.22	-	-	1	0.70	1	0.07
Wells Fargo & Company	Reported	16	1.30	1	1.22	-	-	1	0.70	17	1.23
Wintrust Financial Corporation	Reported	12	0.97	1	1.22	-	-	1	0.70	13	0.94
CIT Group Inc.	Reported	4	0.32	1	1.22	-	-	1	0.70	5	0.36
Capital One Financial Corporation	Reported	104	8.42	-	-	-	-	-	-	104	7.54
Citigroup Inc.	Reported	138	11.17	-	-	-	-	-	-	138	10.01
Lauritzen Corporation	Reported	40	3.24	-	-	-	-	-	-	40	2.90
U.S. Bancorp	Reported	70	5.67	-	-	-	-	-	-	70	5.08
Citizens Financial Group, Inc.	Reported	11	0.89	-	-	-	-	-	-	11	0.80
Bank of America Corporation	Reported	34	2.75	-	-	-	-	-	-	34	2.47
Synchrony Financial	Reported	55	4.45	-	-	-	-	-	-	55	3.99
WEX Bank	Reported	15	1.21	-	-	-	-	-	-	15	1.09
First National Bancshares, Inc.	Reported	1	0.08	-	-	-	-	-	-	1	0.07
Deere & Company	Reported	5	0.40	-	-	-	-	-	-	5	0.36
Discover Financial Services	Reported	12	0.97	-	-	-	-	-	-	12	0.87
Banco Bilbao Vizcaya Argentaria, SA	Reported	1	0.08	-	-	-	-	-	-	1	0.07
Pinnacle Financial Partners, Inc.	Reported	1	0.08	-	-	-	-	-	-	1	0.07
Texas Capital Bancshares, Inc.	Reported	6	0.49	-	-	-	-	-	-	6	0.44
Ameris Bancorp	Reported	1	0.08	-	-	-	-	-	-	1	0.07
Triumph Bancorp, Inc.	Reported	2	0.16	-	-	-	-	-	-	2	0.15
Total		1,235	100.00	82	100.00	62	100.00	143	100.00	1,379	100.00
Huntington Bancshares Incorporated	Reported	5	0.40	2	2.45	2	3.25	4	2.79	9	0.65
TCF Financial Corporation	Reported	54	4.37	18	22.05	18	29.24	36	25.14	90	6.53
Combined		59	4.78	20	24.50	20	32.49	40	27.93	99	7.18
Pre-merger HHI		981.1		1,285.7		1,676.7		1,415.5		866.2	
Change		3.5		108.0		190.0		140.4		8.5	
Post-merger HHI		984.6		1,393.7		1,866.7		1,555.9		874.7	

Market defined as Gladwin and Midland counties, MI.

Depository Institutions and Market Share

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls Weighted 50%	Share
<u>Roscommon, MI Fed Banking Market</u>							
TCF Financial Corporation	Bank	4	50.00	218,511	41.90	218,511	41.90
JPMorgan Chase & Co.	Bank	2	25.00	213,147	40.87	213,147	40.87
Huntington Bancshares Incorporated	Bank	1	12.50	67,150	12.88	67,150	12.88
Mercantile Bank Corporation	Bank	1	12.50	22,667	4.35	22,667	4.35
Total		8	100.00	521,475	100.00	521,475	100.00
Huntington Bancshares Incorporated	Bank	1	12.50	67,150	12.88	67,150	12.88
TCF Financial Corporation	Bank	4	50.00	218,511	41.90	218,511	41.90
Post Merger		5	62.50	285,661	54.78	285,661	54.78
Pre-merger HHI		3,437.5		3,611.2		3,611.2	
Change		1,250.0		1,079.2		1,079.2	
Post-merger HHI		4,687.5		4,690.4		4,690.4	

Depository Institutions and Market Share
Including Credit Unions Accessible to 80% of the Market's Population

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	All		Retail		Total		Select CUs		Select CUs	
		Branches	Share	Branches	Share	Deposits	Share	Weighted 50%	Share	Weighted 50%	Share
											>2% C&I at 100%
<u>Roscommon, MI Fed Banking Market</u>											
TCF Financial Corporation	Bank	4	30.77	4	30.77	218,511	32.23	218,511	36.43	218,511	34.54
JPMorgan Chase & Co.	Bank	2	15.38	2	15.38	213,147	31.43	213,147	35.54	213,147	33.69
North Central Area CU (100%)	CU	3	23.08	3	23.08	90,731	13.38	45,365	7.56	45,365	7.17
Huntington Bancshares Incorporated	Bank	1	7.69	1	7.69	67,150	9.90	67,150	11.20	67,150	10.61
Northland Area FCU (100%) (2.0% C&I/Assets)	CU	2	15.38	2	15.38	65,854	9.71	32,927	5.49	65,854	10.41
Mercantile Bank Corporation	Bank	1	7.69	1	7.69	22,667	3.34	22,667	3.78	22,667	3.58
Total		13	100.00	13	100.00	678,060	100.00	599,767	100.00	632,694	100.00
Total Credit Unions	2	5	38.46	5	38.46	156,585	23.09	78,292	13.05	111,219	17.58
Huntington Bancshares Incorporated	Bank	1	7.69	1	7.69	67,150	9.90	67,150	11.20	67,150	10.61
TCF Financial Corporation	Bank	4	30.77	4	30.77	218,511	32.23	218,511	36.43	218,511	34.54
Post Merger		5	38.46	5	38.46	285,661	42.13	285,661	47.63	285,661	45.15
Pre-merger HHI		2,071.0		2,071.0		2,409.3		2,817.3		2,612.9	
Change		473.4		473.4		638.3		815.8		733.1	
Post-merger HHI		2,544.4		2,544.4		3,047.6		3,633.1		3,346.0	

Small Business Loan Originations

2019 CRA Data

Institution	Data Source	Volume of Loans (\$000)									
		Business Loans		Business Loans		Business Loans		Business Loans		Business Loans	
		< \$100K	Share	\$100K-\$250K	Share	\$250K-\$1M	Share	100K-\$1M	Share	<\$1M	Share
<u>Roscommon, MI Fed Banking Market</u>											
TCF Financial Corporation	Reported	1,451	25.92	1,653	72.12	4,716	40.86	6,369	46.04	7,820	40.24
Horizon Bancorp, Inc.	Reported	-	-	-	-	2,280	19.75	2,280	16.48	2,280	11.73
Fifth Third Bancorp	Reported	340	6.07	-	-	1,624	14.07	1,624	11.74	1,964	10.11
Huntington Bancshares Incorporated	Reported	76	1.36	415	18.11	760	6.58	1,175	8.49	1,251	6.44
Mercantile Bank Corporation	Reported	388	6.93	120	5.24	600	5.20	720	5.20	1,108	5.70
Isabella Bank Corporation	Reported	-	-	-	-	504	4.37	504	3.64	504	2.59
Comerica Incorporated	Reported	-	-	-	-	446	3.86	446	3.22	446	2.30
Independent Bank Corporation	Reported	-	-	-	-	318	2.75	318	2.30	318	1.64
Live Oak Bancshares, Inc.	Reported	-	-	-	-	295	2.56	295	2.13	295	1.52
Wells Fargo & Company	Reported	335	5.99	104	4.54	-	-	104	0.75	439	2.26
JPMorgan Chase & Co.	Reported	1,197	21.39	-	-	-	-	-	-	1,197	6.16
American Express Company	Reported	511	9.13	-	-	-	-	-	-	511	2.63
Citigroup Inc.	Reported	446	7.97	-	-	-	-	-	-	446	2.30
Capital One Financial Corporation	Reported	213	3.81	-	-	-	-	-	-	213	1.10
Lauritzen Corporation	Reported	184	3.29	-	-	-	-	-	-	184	0.95
Wintrust Financial Corporation	Reported	71	1.27	-	-	-	-	-	-	71	0.37
Stearns Financial Services, Inc.	Reported	62	1.11	-	-	-	-	-	-	62	0.32
Bank of America Corporation	Reported	57	1.02	-	-	-	-	-	-	57	0.29
Synchrony Financial	Reported	51	0.91	-	-	-	-	-	-	51	0.26
Truist Financial Corporation	Reported	49	0.88	-	-	-	-	-	-	49	0.25
WEX Bank	Reported	44	0.79	-	-	-	-	-	-	44	0.23
U.S. Bancorp	Reported	43	0.77	-	-	-	-	-	-	43	0.22
CIT Group Inc.	Reported	25	0.45	-	-	-	-	-	-	25	0.13
Ameris Bancorp	Reported	20	0.36	-	-	-	-	-	-	20	0.10
PNC Financial Services Group, Inc.	Reported	14	0.25	-	-	-	-	-	-	14	0.07
Pinnacle Financial Partners, Inc.	Reported	10	0.18	-	-	-	-	-	-	10	0.05
Discover Financial Services	Reported	9	0.16	-	-	-	-	-	-	9	0.05
Texas Capital Bancshares, Inc.	Reported	1	0.02	-	-	-	-	-	-	1	0.01
Total		5,597	100.00	2,292	100.00	11,543	100.00	13,835	100.00	19,432	100.00
Huntington Bancshares Incorporated	Reported	76	1.36	415	18.11	760	6.58	1,175	8.49	1,251	6.44
TCF Financial Corporation	Reported	1,451	25.92	1,653	72.12	4,716	40.86	6,369	46.04	7,820	40.24
Combined		1,527	27.28	2,068	90.23	5,476	47.44	7,544	54.53	9,071	46.68
Pre-merger HHI		1,431.4		5,577.2		2,375.8		2,661.9		2,008.2	
Change		70.4		2,611.7		538.0		782.0		518.2	
Post-merger HHI		1,501.8		8,188.9		2,913.8		3,443.9		2,526.3	

Market defined as Crawford and Roscommon counties, MI.

Small Business Loan Originations
2019 CRA Data

Institution	Data Source	Number of Loans									
		Business Loans < \$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
			Share		Share		Share		Share		Share
<u>Roscommon, MI Fed Banking Market</u>											
TCF Financial Corporation	Reported	34	7.52	10	71.43	11	44.00	21	53.85	55	11.20
Horizon Bancorp, Inc.	Reported	-	-	-	-	4	16.00	4	10.26	4	0.81
Fifth Third Bancorp	Reported	5	1.11	-	-	3	12.00	3	7.69	8	1.63
Huntington Bancshares Incorporated	Reported	5	1.11	2	14.29	2	8.00	4	10.26	9	1.83
Mercantile Bank Corporation	Reported	6	1.33	1	7.14	1	4.00	2	5.13	8	1.63
Isabella Bank Corporation	Reported	-	-	-	-	1	4.00	1	2.56	1	0.20
Comerica Incorporated	Reported	-	-	-	-	1	4.00	1	2.56	1	0.20
Independent Bank Corporation	Reported	-	-	-	-	1	4.00	1	2.56	1	0.20
Live Oak Bancshares, Inc.	Reported	-	-	-	-	1	4.00	1	2.56	1	0.20
Wells Fargo & Company	Reported	6	1.33	1	7.14	-	-	1	2.56	7	1.43
JPMorgan Chase & Co.	Reported	97	21.46	-	-	-	-	-	-	97	19.76
American Express Company	Reported	46	10.18	-	-	-	-	-	-	46	9.37
Citigroup Inc.	Reported	133	29.42	-	-	-	-	-	-	133	27.09
Capital One Financial Corporation	Reported	35	7.74	-	-	-	-	-	-	35	7.13
Lauritzen Corporation	Reported	19	4.20	-	-	-	-	-	-	19	3.87
Wintrust Financial Corporation	Reported	2	0.44	-	-	-	-	-	-	2	0.41
Stearns Financial Services, Inc.	Reported	2	0.44	-	-	-	-	-	-	2	0.41
Bank of America Corporation	Reported	9	1.99	-	-	-	-	-	-	9	1.83
Synchrony Financial	Reported	14	3.10	-	-	-	-	-	-	14	2.85
Truist Financial Corporation	Reported	5	1.11	-	-	-	-	-	-	5	1.02
WEX Bank	Reported	9	1.99	-	-	-	-	-	-	9	1.83
U.S. Bancorp	Reported	9	1.99	-	-	-	-	-	-	9	1.83
CIT Group Inc.	Reported	2	0.44	-	-	-	-	-	-	2	0.41
Ameris Bancorp	Reported	5	1.11	-	-	-	-	-	-	5	1.02
PNC Financial Services Group, Inc.	Reported	5	1.11	-	-	-	-	-	-	5	1.02
Pinnacle Financial Partners, Inc.	Reported	1	0.22	-	-	-	-	-	-	1	0.20
Discover Financial Services	Reported	2	0.44	-	-	-	-	-	-	2	0.41
Texas Capital Bancshares, Inc.	Reported	1	0.22	-	-	-	-	-	-	1	0.20
Total		452	100.00	14	100.00	25	100.00	39	100.00	491	100.00
Huntington Bancshares Incorporated	Reported	5	1.11	2	14.29	2	8.00	4	10.26	9	1.83
TCF Financial Corporation	Reported	34	7.52	10	71.43	11	44.00	21	53.85	55	11.20
Combined		39	8.63	12	85.71	13	52.00	25	64.10	64	13.03
Pre-merger HHI		1,596.2		5,408.2		2,480.0		3,228.1		1,436.7	
Change		16.6		2,040.8		704.0		1,104.5		41.1	
Post-merger HHI		1,612.8		7,449.0		3,184.0		4,332.7		1,477.7	

Market defined as Crawford and Roscommon counties, MI.

Depository Institutions and Market Share

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls Weighted 50%	Share
<u>Alpena, MI Fed Banking Market</u>							
Mackinac Financial Corporation	Bank	2	20.00	187,340	32.85	187,340	32.85
TCF Financial Corporation	Bank	3	30.00	152,059	26.66	152,059	26.66
Huntington Bancshares Incorporated	Bank	2	20.00	77,305	13.55	77,305	13.55
PNC Financial Services Group, Inc.	Bank	1	10.00	59,637	10.46	59,637	10.46
Huron National Bancorp, Inc.	Bank	1	10.00	54,335	9.53	54,335	9.53
CNB Corporation	Bank	1	10.00	39,651	6.95	39,651	6.95
Total		10	100.00	570,327	100.00	570,327	100.00
Huntington Bancshares Incorporated	Bank	2	20.00	77,305	13.55	77,305	13.55
TCF Financial Corporation	Bank	3	30.00	152,059	26.66	152,059	26.66
Post Merger		5	50.00	229,364	40.22	229,364	40.22
Pre-merger HHI		2,000.0		2,222.0		2,222.0	
Change		1,200.0		722.8		722.8	
Post-merger HHI		3,200.0		2,944.8		2,944.8	

Depository Institutions and Market Share
Including Credit Unions Accessible to 80% of the Market's Population

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	All		Retail		Total		Select CUs		Select CUs	
		Branches	Share	Branches	Share	Deposits	Share	Weighted 50%	Share	Weighted 50%	Share
											>2% C&I at 100%
<u>Alpena, MI Fed Banking Market</u>											
Mackinac Financial Corporation	Bank	2	8.70	2	9.09	187,340	16.91	187,340	22.66	187,340	21.15
Alpena-Alcona Area CU (100%)	CU	3	13.04	3	13.64	155,796	14.06	77,898	9.42	77,898	8.79
TCF Financial Corporation	Bank	3	13.04	3	13.64	152,059	13.73	152,059	18.39	152,059	17.16
H.P.C. CU (100%) (3.2% C&I/Assets)	CU	2	8.70	2	9.09	118,294	10.68	59,147	7.15	118,294	13.35
Huntington Bancshares Incorporated	Bank	2	8.70	2	9.09	77,305	6.98	77,305	9.35	77,305	8.73
Community Financial CU (100%)	CU	1	4.35	1	4.55	72,062	6.50	36,031	4.36	36,031	4.07
Wolverine State CU (100%)	CU	2	8.70	2	9.09	68,676	6.20	34,338	4.15	34,338	3.88
PNC Financial Services Group, Inc.	Bank	1	4.35	1	4.55	59,637	5.38	59,637	7.21	59,637	6.73
Huron National Bancorp, Inc.	Bank	1	4.35	1	4.55	54,335	4.90	54,335	6.57	54,335	6.13
Calcite CU (84%)	CU	2	8.70	2	9.09	52,239	4.72	26,119	3.16	26,119	2.95
Awakon FCU (94%)	CU	2	8.70	2	9.09	45,737	4.13	22,869	2.77	22,869	2.58
CNB Corporation	Bank	1	4.35	1	4.55	39,651	3.58	39,651	4.80	39,651	4.48
Alpena Community CU	CU	1	4.35	-	-	24,711	2.23	-	-	-	-
Total		23	100.00	22	100.00	1,107,841	100.00	826,729	100.00	885,876	100.00
Total Credit Unions	7	13	56.52	12	54.55	537,514	48.52	256,402	31.01	315,549	35.62
Huntington Bancshares Incorporated	Bank	2	8.70	2	9.09	77,305	6.98	77,305	9.35	77,305	8.73
TCF Financial Corporation	Bank	3	13.04	3	13.64	152,059	13.73	152,059	18.39	152,059	17.16
Post Merger		5	21.74	5	22.73	229,364	20.70	229,364	27.74	229,364	25.89
Pre-merger HHI		888.5		950.4		1,025.7		1,251.3		1,223.5	
Change		226.8		247.9		191.6		344.0		299.6	
Post-merger HHI		1,115.3		1,198.3		1,217.2		1,595.3		1,523.1	

Small Business Loan Originations
2019 CRA Data

Institution	Data Source	Volume of Loans (\$'000)									
		Business Loans < \$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
		< \$100K	Share	\$100K-\$250K	Share	\$250K-\$1M	Share	100K-\$1M	Share	<\$1M	Share
<u>Alpena, MI Fed Banking Market</u>											
TCF Financial Corporation	Reported	247	2.12	767	26.50	2,936	23.29	3,703	23.89	3,950	14.56
Mackinac Financial Corporation	Reported	1,694	14.57	-	-	2,844	22.56	2,844	18.35	4,538	16.73
CNB Corporation	Estimated	261	2.25	689	23.80	1,296	10.28	1,985	12.81	2,246	8.28
PNC Financial Services Group, Inc.	Reported	650	5.59	125	4.32	1,050	8.33	1,175	7.58	1,825	6.73
Huntington Bancshares Incorporated	Reported	119	1.02	186	6.43	836	6.63	1,022	6.59	1,141	4.21
Mercantile Bank Corporation	Reported	51	0.44	-	-	950	7.54	950	6.13	1,001	3.69
KeyCorp	Reported	-	-	-	-	625	4.96	625	4.03	625	2.30
Wells Fargo & Company	Reported	373	3.21	130	4.49	400	3.17	530	3.42	903	3.33
Banterra Corp.	Reported	-	-	-	-	498	3.95	498	3.21	498	1.84
First Merchants Corporation	Reported	-	-	-	-	444	3.52	444	2.86	444	1.64
Signature Bank	Reported	-	-	-	-	425	3.37	425	2.74	425	1.57
American Express Company	Reported	927	7.97	-	-	300	2.38	300	1.94	1,227	4.52
Bank of Montreal	Reported	-	-	294	10.16	-	-	294	1.90	294	1.08
Horizon Bancorp, Inc.	Reported	-	-	228	7.88	-	-	228	1.47	228	0.84
Stearns Financial Services, Inc.	Reported	93	0.80	167	5.77	-	-	167	1.08	260	0.96
1st Source Corporation	Reported	139	1.20	158	5.46	-	-	158	1.02	297	1.10
Fifth Third Bancorp	Reported	35	0.30	150	5.18	-	-	150	0.97	185	0.68
Huron National Bancorp, Inc.	Estimated	3,685	31.70	-	-	-	-	-	-	3,685	13.59
JPMorgan Chase & Co.	Reported	1,154	9.93	-	-	-	-	-	-	1,154	4.25
Citigroup Inc.	Reported	898	7.73	-	-	-	-	-	-	898	3.31
Capital One Financial Corporation	Reported	411	3.54	-	-	-	-	-	-	411	1.52
U.S. Bancorp	Reported	259	2.23	-	-	-	-	-	-	259	0.95
CIT Group Inc.	Reported	111	0.95	-	-	-	-	-	-	111	0.41
Bank of America Corporation	Reported	92	0.79	-	-	-	-	-	-	92	0.34
Wintrust Financial Corporation	Reported	82	0.71	-	-	-	-	-	-	82	0.30
Lauritzen Corporation	Reported	58	0.50	-	-	-	-	-	-	58	0.21
Synchrony Financial	Reported	54	0.46	-	-	-	-	-	-	54	0.20
Axos Financial, Inc.	Reported	50	0.43	-	-	-	-	-	-	50	0.18
Discover Financial Services	Reported	49	0.42	-	-	-	-	-	-	49	0.18
Simmons First National Corporation	Reported	39	0.34	-	-	-	-	-	-	39	0.14
Truist Financial Corporation	Reported	36	0.31	-	-	-	-	-	-	36	0.13
Deere & Company	Reported	35	0.30	-	-	-	-	-	-	35	0.13
WEX Bank	Reported	15	0.13	-	-	-	-	-	-	15	0.06
Texas Capital Bancshares, Inc.	Reported	6	0.05	-	-	-	-	-	-	6	0.02
Ameris Bancorp	Reported	1	0.01	-	-	-	-	-	-	1	0.00
Total		11,624	100.00	2,894	100.00	12,604	100.00	15,498	100.00	27,122	100.00
Huntington Bancshares Incorporated	Reported	119	1.02	186	6.43	836	6.63	1,022	6.59	1,141	4.21
TCF Financial Corporation	Reported	247	2.12	767	26.50	2,936	23.29	3,703	23.89	3,950	14.56
Combined		366	3.15	953	32.93	3,772	29.93	4,725	30.49	5,091	18.77
Pre-merger HHI		1,514.4		1,604.5		1,407.4		1,276.9		904.5	
Change		4.4		340.7		309.0		315.1		122.5	
Post-merger HHI		1,518.8		1,945.2		1,716.4		1,592.0		1,027.1	

Market approximated by Alpena, Montmorency, and Presque Isle Counties, MI.

Small Business Loan Originations
2019 CRA Data

Institution	Data Source	Number of Loans									
		Business Loans < \$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
			Share		Share		Share		Share		Share
<u>Alpena, MI Fed Banking Market</u>											
TCF Financial Corporation	Reported	7	0.99	5	24.45	6	21.26	11	22.60	18	2.38
Mackinac Financial Corporation	Reported	36	5.10	-	-	6	21.26	6	12.33	42	5.56
CNB Corporation	Estimated	12	1.63	6	31.53	5	18.48	12	23.97	23	3.07
PNC Financial Services Group, Inc.	Reported	59	8.35	1	4.89	2	7.09	3	6.16	62	8.21
Huntington Bancshares Incorporated	Reported	7	0.99	1	4.89	1	3.54	2	4.11	9	1.19
Mercantile Bank Corporation	Reported	2	0.28	-	-	2	7.09	2	4.11	4	0.53
KeyCorp	Reported	-	-	-	-	1	3.54	1	2.05	1	0.13
Wells Fargo & Company	Reported	9	1.27	1	4.89	1	3.54	2	4.11	11	1.46
Banterra Corp.	Reported	-	-	-	-	1	3.54	1	2.05	1	0.13
First Merchants Corporation	Reported	-	-	-	-	1	3.54	1	2.05	1	0.13
Signature Bank	Reported	-	-	-	-	1	3.54	1	2.05	1	0.13
American Express Company	Reported	84	11.89	-	-	1	3.54	1	2.05	85	11.26
Bank of Montreal	Reported	-	-	2	9.78	-	-	2	4.11	2	0.26
Horizon Bancorp, Inc.	Reported	-	-	1	4.89	-	-	1	2.05	1	0.13
Stearns Financial Services, Inc.	Reported	1	0.14	1	4.89	-	-	1	2.05	2	0.26
1st Source Corporation	Reported	2	0.28	1	4.89	-	-	1	2.05	3	0.40
Fifth Third Bancorp	Reported	2	0.28	1	4.89	-	-	1	2.05	3	0.40
Huron National Bancorp, Inc.	Estimated	68	9.60	-	-	-	-	-	-	68	8.98
JPMorgan Chase & Co.	Reported	98	13.87	-	-	-	-	-	-	98	12.98
Citigroup Inc.	Reported	162	22.94	-	-	-	-	-	-	162	21.46
Capital One Financial Corporation	Reported	49	6.94	-	-	-	-	-	-	49	6.49
U.S. Bancorp	Reported	25	3.54	-	-	-	-	-	-	25	3.31
CIT Group Inc.	Reported	4	0.57	-	-	-	-	-	-	4	0.53
Bank of America Corporation	Reported	16	2.27	-	-	-	-	-	-	16	2.12
Wintrust Financial Corporation	Reported	16	2.27	-	-	-	-	-	-	16	2.12
Lauritzen Corporation	Reported	7	0.99	-	-	-	-	-	-	7	0.93
Synchrony Financial	Reported	17	2.41	-	-	-	-	-	-	17	2.25
Axos Financial, Inc.	Reported	1	0.14	-	-	-	-	-	-	1	0.13
Discover Financial Services	Reported	7	0.99	-	-	-	-	-	-	7	0.93
Simmons First National Corporation	Reported	1	0.14	-	-	-	-	-	-	1	0.13
Truist Financial Corporation	Reported	3	0.42	-	-	-	-	-	-	3	0.40
Deere & Company	Reported	3	0.42	-	-	-	-	-	-	3	0.40
WEX Bank	Reported	5	0.71	-	-	-	-	-	-	5	0.66
Texas Capital Bancshares, Inc.	Reported	3	0.42	-	-	-	-	-	-	3	0.40
Ameris Bancorp	Reported	1	0.14	-	-	-	-	-	-	1	0.13
Total		706	100.00	20	100.00	28	100.00	49	100.00	755	100.00
Huntington Bancshares Incorporated	Reported	7	0.99	1	4.89	1	3.54	2	4.11	9	1.19
TCF Financial Corporation	Reported	7	0.99	5	24.45	6	21.26	11	22.60	18	2.38
Combined		14	1.98	6	29.34	7	24.81	13	26.71	27	3.58
Pre-merger HHI		1,134.5		1,855.2		1,434.5		1,380.9		1,024.3	
Change		2.0		239.2		150.7		185.8		5.7	
Post-merger HHI		1,136.5		2,094.4		1,585.2		1,566.8		1,030.0	

Market approximated by Alpena, Montmorency, and Presque Isle Counties

Depository Institutions and Market Share

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls Weighted 50%	Share
<u>Bay City-Saginaw, MI Fed Banking Market</u>							
TCF Financial Corporation 1/	Bank	15	19.48	931,653	21.48	931,653	21.48
Huntington Bancshares Incorporated 2/	Bank	13	16.88	859,681	19.82	859,681	19.82
PNC Financial Services Group, Inc. 3/	Bank	7	9.09	568,136	13.10	568,136	13.10
Independent Bank Corporation	Bank	11	14.29	472,102	10.89	472,102	10.89
JPMorgan Chase & Co. 4/	Bank	3	3.90	377,291	8.70	377,291	8.70
1st State Financial, Ltd.	Bank	4	5.19	338,145	7.80	338,145	7.80
Fentura Financial, Inc. 5/	Bank	5	6.49	171,608	3.96	171,608	3.96
Northstar Financial Group, Inc.	Bank	2	2.60	102,764	2.37	102,764	2.37
Isabella Bank Corporation	Bank	4	5.19	98,203	2.26	98,203	2.26
Fifth Third Bancorp	Bank	2	2.60	92,055	2.12	92,055	2.12
Mayville Financial Corporation	Bank	2	2.60	82,063	1.89	82,063	1.89
Mercantile Bank Corporation	Bank	2	2.60	59,034	1.36	59,034	1.36
Citizens Financial Group, Inc.	Bank	1	1.30	54,662	1.26	54,662	1.26
Thumb Bancorp, Inc.	Bank	2	2.60	48,667	1.12	48,667	1.12
Freeland State Bank	Bank	1	1.30	42,825	0.99	42,825	0.99
Horizon Bancorp, Inc.	Bank	1	1.30	18,476	0.43	18,476	0.43
Huron Community Financial Services, Inc.	Bank	1	1.30	13,428	0.31	13,428	0.31
Tri-County Bancorp, Inc.	Bank	1	1.30	6,146	0.14	6,146	0.14
Total		77	100.00	4,336,939	100.00	4,336,939	100.00
Huntington Bancshares Incorporated 2/	Bank	14	18.18	859,681	19.82	859,681	19.82
TCF Financial Corporation 1/	Bank	18	23.38	931,653	21.48	931,653	21.48
Post Merger		32	41.56	1,791,334	41.30	1,791,334	41.30
Pre-merger HHI		1,104.7		1,321.4		1,321.4	
Change		850.1		851.6		851.6	
Post-merger HHI		1,954.8		2,173.1		2,173.1	

1/ Branch count excludes three locations that are not retail branches and reported no deposits as of 6/30/2020 including:

Depository Institutions and Market Share

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls Weighted 50%	Share
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Bay City-Saginaw, MI Fed Banking Market

Drive-thru at 2300 Midland Road, Saginaw, MI that is co-located with an included full-service branch.

Drive-thru at 150 E. Burnside Street, Caro, MI.

Drive-thru at 600 Washington Ave., Bay City, MI.

2/ Branch count excludes a drive-through at 120 N Forest St, Standish, MI that reported no deposits as of 6/30/2020.

3/ Branch count excludes a branch at 1045 N Pine Road, Essexville, MI that closed 8/21/2020 (though the deposits have been included).

4/ Branch count excludes a branch at 3480 N Center Road, Saginaw, MI that closed 8/6/2020 and a branch at 349 W Saginaw St, Hemlock, MI that closed 11/4/2020 (though the deposits of both have been included).

5/ Branch count does not include a proposed branch at 218 S Washington Ave, Saginaw, MI expected to open in January 2021.

Depository Institutions and Market Share
Including Credit Unions Accessible to 80% of the Market's Population

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	All		Retail		Total		Select CUs		Select CUs	
		Branches	Share	Branches	Share	Deposits	Share	Weighted 50%	Share	Weighted 50%	Share
											>2% C&I at 100%
<u>Bay City-Saginaw, MI Fed Banking Market</u>											
TCF Financial Corporation 1/	Bank	15	10.00	15	11.81	931,653	11.66	931,653	16.11	931,653	15.21
Huntington Bancshares Incorporated 2/	Bank	13	8.67	13	10.24	859,681	10.76	859,681	14.86	859,681	14.04
Wildfire CU (100%) 7/	CU	3	2.00	3	2.36	625,082	7.82	312,541	5.40	312,541	5.10
Frankenmuth CU (100%) (2.7% C&I/Assets)	CU	19	12.67	19	14.96	617,150	7.72	308,575	5.34	617,150	10.08
PNC Financial Services Group, Inc. 3/	Bank	7	4.67	7	5.51	568,136	7.11	568,136	9.82	568,136	9.28
Independent Bank Corporation	Bank	11	7.33	11	8.66	472,102	5.91	472,102	8.16	472,102	7.71
JPMorgan Chase & Co. 4/	Bank	3	2.00	3	2.36	377,291	4.72	377,291	6.52	377,291	6.16
Jolt CU (100%)	CU	5	3.33	5	3.94	339,922	4.25	169,961	2.94	169,961	2.78
1st State Financial, Ltd.	Bank	4	2.67	4	3.15	338,145	4.23	338,145	5.85	338,145	5.52
Wanigas CU (100%)	CU	4	2.67	4	3.15	320,964	4.02	160,482	2.77	160,482	2.62
Team One CU (100%)	CU	5	3.33	5	3.94	238,461	2.98	119,231	2.06	119,231	1.95
United Financial CU (100%) 8/	CU	6	4.00	6	4.72	232,432	2.91	116,216	2.01	116,216	1.90
Fentura Financial, Inc. 5/	Bank	5	3.33	5	3.94	171,608	2.15	171,608	2.97	171,608	2.80
Health Advantage FCU	CU	2	1.33	-	-	141,523	1.77	-	-	-	-
Lake Michigan CU (100%)	CU	1	0.67	1	0.79	129,876	1.62	64,938	1.12	64,938	1.06
United Bay Community CU (100%)	CU	3	2.00	3	2.36	118,534	1.48	59,267	1.02	59,267	0.97
Sunrise Family CU	CU	3	2.00	-	-	115,027	1.44	-	-	-	-
Northstar Financial Group, Inc.	Bank	2	1.33	2	1.57	102,764	1.29	102,764	1.78	102,764	1.68
Isabella Bank Corporation	Bank	4	2.67	4	3.15	98,203	1.23	98,203	1.70	98,203	1.60
Genisys CU (100%)	CU	1	0.67	1	0.79	97,859	1.22	48,929	0.85	48,929	0.80
Copoco Community CU (76%)	CU	3	2.00	-	-	97,298	1.22	-	-	-	-
FinancialEdge Community CU (76%)	CU	2	1.33	-	-	96,975	1.21	-	-	-	-
Fifth Third Bancorp	Bank	2	1.33	2	1.57	92,055	1.15	92,055	1.59	92,055	1.50
Mayville Financial Corporation	Bank	2	1.33	2	1.57	82,063	1.03	82,063	1.42	82,063	1.34
Family First CU (70%)	CU	3	2.00	-	-	77,222	0.97	-	-	-	-
Financial Plus CU (100%)	CU	1	0.67	1	0.79	71,205	0.89	35,603	0.62	35,603	0.58
ELGA CU (100%) (2.7% C&I/Assets)	CU	1	0.67	1	0.79	62,903	0.79	31,451	0.54	62,903	1.03
Mercantile Bank Corporation	Bank	2	1.33	2	1.57	59,034	0.74	59,034	1.02	59,034	0.96
Citizens Financial Group, Inc.	Bank	1	0.67	1	0.79	54,662	0.68	54,662	0.95	54,662	0.89
Lake Huron CU (70%)	CU	2	1.33	-	-	53,088	0.66	-	-	-	-
Thumb Bancorp, Inc.	Bank	2	1.33	2	1.57	48,667	0.61	48,667	0.84	48,667	0.79
Great Lakes FCU	CU	3	2.00	-	-	48,534	0.61	-	-	-	-
Freeland State Bank	Bank	1	0.67	1	0.79	42,825	0.54	42,825	0.74	42,825	0.70
Security CU (100%)	CU	1	0.67	1	0.79	39,203	0.49	19,602	0.34	19,602	0.32

Depository Institutions and Market Share
Including Credit Unions Accessible to 80% of the Market's Population

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	All		Retail		Total		Select CUs		Select CUs		
		Branches	Share	Branches	Share	Deposits	Share	Weighted 50%	Share	Weighted 50%	Share	
											>2% C&I at 100%	
Bay City-Saginaw, MI Fed Banking Market												
Saginaw County Employees CU	CU	1	0.67	-	-	38,331	0.48	-	-	-	-	
Northland Area FCU (2.0% C&I/Assets)	CU	1	0.67	-	-	32,927	0.41	-	-	-	-	
First Area CU	CU	2	1.33	-	-	31,103	0.39	-	-	-	-	
North Central Area CU	CU	1	0.67	-	-	30,244	0.38	-	-	-	-	
Horizon Bancorp, Inc.	Bank	1	0.67	1	0.79	18,476	0.23	18,476	0.32	18,476	0.30	
Huron Community Financial Services, Inc.	Bank	1	0.67	1	0.79	13,428	0.17	13,428	0.23	13,428	0.22	
Tri-County Bancorp, Inc.	Bank	1	0.67	1	0.79	6,146	0.08	6,146	0.11	6,146	0.10	
Total		150	100.00	127	100.00	7,992,801	100.00	5,783,734	100.00	6,123,760	100.00	
Total Credit Unions		23	73	48.67	50	39.37	3,655,862	45.74	1,446,795	25.01	1,786,821	29.18
Huntington Bancshares Incorporated 2/	Bank	13	8.67	13	10.24	859,681	10.76	859,681	14.86	859,681	14.04	
TCF Financial Corporation 1/	Bank	15	10.00	15	11.81	931,653	11.66	931,653	16.11	931,653	15.21	
Post Merger		28	18.67	28	22.05	1,791,334	22.41	1,791,334	30.97	1,791,334	29.25	
Pre-merger HHI		531.6		707.4		580.0		829.1		816.6		
Change		173.3		241.8		250.7		478.9		427.2		
Post-merger HHI		704.9		949.2		830.7		1,308.0		1,243.7		

1/ Branch count excludes three locations that are not retail branches and reported no deposits as of 6/30/2020 including:

Drive-thru at 2300 Midland Road, Saginaw, MI that is co-located with an included full-service branch.

Drive-thru at 150 E. Burnside Street, Caro, MI.

Drive-thru at 600 Washington Ave., Bay City, MI.

2/ Branch count excludes a drive-through at 120 N Forest St, Standish, MI that reported no deposits as of 6/30/2020.

3/ Branch count excludes a branch at 1045 N Pine Road, Essexville, MI that closed 8/21/2020 (though the deposits have been included).

4/ Branch count excludes a branch at 3480 N Center Road, Saginaw, MI that closed 8/6/2020 and a branch at 349 W Saginaw St, Hemlock, MI that closed 11/4/2020 (though the deposits of both have been included).

5/ Branch count does not include a proposed branch at 218 S Washington Ave, Saginaw, MI.

6/ Branch count does not include 5 drive-through locations, but does include a branch opened since 6/30/2020.

7/ Branch count does not include 2 drive-through locations.

8/ Branch count does not include proposed new branch at 6354 Westside Saginaw Road, Frankenlust Township expected to open in 2020.

Small Business Loan Originations

2019 CRA Data

Institution	Data Source	Volume of Loans (\$000)									
		Business Loans < \$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
		< \$100K	Share	\$100K-\$250K	Share	\$250K-\$1M	Share	100K-\$1M	Share	<\$1M	Share
<u>Bay City-Saginaw, MI Fed Banking Market</u>											
1st State Financial, Ltd.	Estimated	6,299	10.41	13,178	23.88	39,565	24.54	52,743	24.37	59,041	21.32
TCF Financial Corporation	Reported	4,722	7.80	6,921	12.54	28,442	17.64	35,363	16.34	40,085	14.47
PNC Financial Services Group, Inc.	Reported	5,635	9.31	5,666	10.27	14,973	9.29	20,639	9.54	26,274	9.49
Fentura Financial, Inc.	Estimated	933	1.54	2,423	4.39	11,943	7.41	14,366	6.64	15,299	5.52
Huntington Bancshares Incorporated	Reported	2,581	4.27	2,003	3.63	11,157	6.92	13,160	6.08	15,741	5.68
Isabella Bank Corporation	Reported	2,281	3.77	4,960	8.99	7,904	4.90	12,864	5.94	15,145	5.47
Thumb Bancorp, Inc.	Estimated	2,335	3.86	3,741	6.78	6,508	4.04	10,249	4.74	12,584	4.54
Independent Bank Corporation	Reported	1,692	2.80	2,503	4.53	6,475	4.02	8,978	4.15	10,670	3.85
Northstar Financial Group, Inc.	Estimated	676	1.12	1,754	3.18	6,404	3.97	8,158	3.77	8,834	3.19
Fifth Third Bancorp	Reported	1,007	1.66	950	1.72	6,290	3.90	7,240	3.35	8,247	2.98
JPMorgan Chase & Co.	Reported	8,399	13.88	475	0.86	6,498	4.03	6,973	3.22	15,372	5.55
Mercantile Bank Corporation	Reported	506	0.84	1,414	2.56	2,243	1.39	3,657	1.69	4,163	1.50
Comerica Incorporated	Reported	354	0.59	180	0.33	2,736	1.70	2,916	1.35	3,270	1.18
Huron Community Financial Services, Inc.	Estimated	249	0.41	532	0.96	1,360	0.84	1,891	0.87	2,140	0.77
Wells Fargo & Company	Reported	2,562	4.23	1,795	3.25	-	-	1,795	0.83	4,357	1.57
Bank of Montreal	Reported	564	0.93	1,643	2.98	-	-	1,643	0.76	2,207	0.80
Horizon Bancorp, Inc.	Reported	218	0.36	483	0.88	1,073	0.67	1,556	0.72	1,774	0.64
MP (Thrift) LLC	Reported	-	-	200	0.36	1,315	0.82	1,515	0.70	1,515	0.55
Mayville Financial Corporation	Estimated	541	0.89	799	1.45	481	0.30	1,280	0.59	1,820	0.66
American Express Company	Reported	5,825	9.63	636	1.15	556	0.34	1,192	0.55	7,017	2.53
Meta Financial Group, Inc.	Reported	108	0.18	-	-	965	0.60	965	0.45	1,073	0.39
Wintrust Financial Corporation	Reported	458	0.76	451	0.82	389	0.24	840	0.39	1,298	0.47
Origin Bancorp, Inc.	Reported	-	-	-	-	781	0.48	781	0.36	781	0.28
Ohio Farmers Insurance Company	Reported	-	-	-	-	741	0.46	741	0.34	741	0.27
Tri-County Bancorp, Inc.	Estimated	113	0.19	170	0.31	527	0.33	697	0.32	810	0.29
Stearns Financial Services, Inc.	Reported	304	0.50	138	0.25	535	0.33	673	0.31	977	0.35
First Internet Bancorp	Reported	-	-	-	-	525	0.33	525	0.24	525	0.19
Ally Financial Inc.	Reported	-	-	-	-	495	0.31	495	0.23	495	0.18
Capital One Financial Corporation	Reported	2,987	4.94	400	0.72	-	-	400	0.18	3,387	1.22
Live Oak Bancshares, Inc.	Reported	-	-	-	-	350	0.22	350	0.16	350	0.13
First Midwest Bancorp, Inc.	Reported	-	-	250	0.45	-	-	250	0.12	250	0.09
Seacoast Banking Corporation of Florida	Reported	-	-	225	0.41	-	-	225	0.10	225	0.08
Old National Bancorp	Reported	-	-	209	0.38	-	-	209	0.10	209	0.08
KeyCorp	Reported	-	-	200	0.36	-	-	200	0.09	200	0.07
Citizens Financial Group, Inc.	Reported	1,352	2.23	150	0.27	-	-	150	0.07	1,502	0.54
Banco Santander, SA	Reported	-	-	145	0.26	-	-	145	0.07	145	0.05
Banterra Corp.	Reported	135	0.22	136	0.25	-	-	136	0.06	271	0.10
CIT Group Inc.	Reported	430	0.71	123	0.22	-	-	123	0.06	553	0.20
U.S. Bancorp	Reported	1,238	2.05	122	0.22	-	-	122	0.06	1,360	0.49
Pinnacle Bancorp, Inc.	Reported	-	-	115	0.21	-	-	115	0.05	115	0.04
Freeland State Bank	Estimated	88	0.14	104	0.19	-	-	104	0.05	191	0.07
Citigroup Inc.	Reported	2,099	3.47	-	-	-	-	-	-	2,099	0.76
Bank of America Corporation	Reported	1,149	1.90	-	-	-	-	-	-	1,149	0.41
Synchrony Financial	Reported	504	0.83	-	-	-	-	-	-	504	0.18
Lauritzen Corporation	Reported	404	0.67	-	-	-	-	-	-	404	0.15

Small Business Loan Originations

2019 CRA Data

Institution	Data Source	Volume of Loans (\$000)									
		Business Loans < \$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
			Share		Share		Share		Share		Share
WEX Bank	Reported	310	0.51	-	-	-	-	-	-	310	0.11
Truist Financial Corporation	Reported	298	0.49	-	-	-	-	-	-	298	0.11
Deere & Company	Reported	200	0.33	-	-	-	-	-	-	200	0.07
Texas Capital Bancshares, Inc.	Reported	200	0.33	-	-	-	-	-	-	200	0.07
Axos Financial, Inc.	Reported	168	0.28	-	-	-	-	-	-	168	0.06
Discover Financial Services	Reported	154	0.25	-	-	-	-	-	-	154	0.06
Pinnacle Financial Partners, Inc.	Reported	121	0.20	-	-	-	-	-	-	121	0.04
Ameris Bancorp	Reported	96	0.16	-	-	-	-	-	-	96	0.03
Macatawa Bank Corporation	Reported	60	0.10	-	-	-	-	-	-	60	0.02
Waterford Bancorp, Inc.	Reported	46	0.08	-	-	-	-	-	-	46	0.02
Commerce Bancshares, Inc.	Reported	45	0.07	-	-	-	-	-	-	45	0.02
Triumph Bancorp, Inc.	Reported	43	0.07	-	-	-	-	-	-	43	0.02
Green Dot Corporation	Reported	16	0.03	-	-	-	-	-	-	16	0.01
Republic Bancorp, Inc.	Reported	1	0.00	-	-	-	-	-	-	1	0.00
Total		60,505	100.00	55,194	100.00	161,229	100.00	216,423	100.00	276,928	100.00
Huntington Bancshares Incorporated	Reported	2,581	4.27	2,003	3.63	11,157	6.92	13,160	6.08	15,741	5.68
TCF Financial Corporation	Reported	4,722	7.80	6,921	12.54	28,442	17.64	35,363	16.34	40,085	14.47
Combined		7,303	12.07	8,924	16.17	39,599	24.56	48,523	22.42	55,826	20.16
Pre-merger HHI		676.6		1,059.9		1,214.2		1,153.0		950.9	
Change		66.6		91.0		244.1		198.7		164.6	
Post-merger HHI		743.2		1,150.9		1,458.4		1,351.7		1,115.4	

Market approximated by Arenac, Bay, Saginaw, and Tuscola counties, MI.

Small Business Loan Originations
2019 CRA Data

Institution	Data Source	Number of Loans									
		Business Loans < \$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
			Share		Share		Share		Share		Share
<u>Bay City-Saginaw, MI Fed Banking Market</u>											
1st State Financial, Ltd.	Estimated	209	5.17	131	32.55	130	34.60	262	33.54	471	9.76
TCF Financial Corporation	Reported	90	2.23	43	10.65	51	13.55	94	12.05	184	3.82
PNC Financial Services Group, Inc.	Reported	349	8.63	29	7.18	25	6.64	54	6.92	403	8.36
Fentura Financial, Inc.	Estimated	22	0.54	20	4.89	28	7.49	48	6.15	70	1.45
Huntington Bancshares Incorporated	Reported	109	2.70	12	2.97	20	5.31	32	4.10	141	2.92
Isabella Bank Corporation	Reported	52	1.29	28	6.94	17	4.52	45	5.77	97	2.01
Thumb Bancorp, Inc.	Estimated	70	1.74	32	8.04	19	5.05	51	6.59	122	2.53
Independent Bank Corporation	Reported	30	0.74	14	3.47	12	3.19	26	3.33	56	1.16
Northstar Financial Group, Inc.	Estimated	25	0.62	16	4.01	18	4.84	34	4.41	60	1.23
Fifth Third Bancorp	Reported	31	0.77	5	1.24	9	2.39	14	1.79	45	0.93
JPMorgan Chase & Co.	Reported	742	18.36	3	0.74	12	3.19	15	1.92	757	15.70
Mercantile Bank Corporation	Reported	13	0.32	8	1.98	4	1.06	12	1.54	25	0.52
Comerica Incorporated	Reported	5	0.12	1	0.25	6	1.59	7	0.90	12	0.25
Huron Community Financial Services, Inc.	Estimated	7	0.17	4	1.00	4	0.94	8	0.97	14	0.30
Wells Fargo & Company	Reported	55	1.36	10	2.48	-	-	10	1.28	65	1.35
Bank of Montreal	Reported	10	0.25	12	2.97	-	-	12	1.54	22	0.46
Horizon Bancorp, Inc.	Reported	4	0.10	3	0.74	2	0.53	5	0.64	9	0.19
MP (Thrift) LLC	Reported	-	-	1	0.25	3	0.80	4	0.51	4	0.08
Mayville Financial Corporation	Estimated	27	0.67	7	1.64	3	0.80	10	1.23	37	0.76
American Express Company	Reported	560	13.85	5	1.24	2	0.53	7	0.90	567	11.76
Meta Financial Group, Inc.	Reported	5	0.12	-	-	2	0.53	2	0.26	7	0.15
Wintrust Financial Corporation	Reported	50	1.24	3	0.74	1	0.27	4	0.51	54	1.12
Origin Bancorp, Inc.	Reported	-	-	-	-	1	0.27	1	0.13	1	0.02
Ohio Farmers Insurance Company	Reported	-	-	-	-	2	0.53	2	0.26	2	0.04
Tri-County Bancorp, Inc.	Estimated	3	0.08	1	0.36	1	0.33	3	0.35	6	0.13
Stearns Financial Services, Inc.	Reported	6	0.15	1	0.25	1	0.27	2	0.26	8	0.17
First Internet Bancorp	Reported	-	-	-	-	1	0.27	1	0.13	1	0.02
Ally Financial Inc.	Reported	-	-	-	-	1	0.27	1	0.13	1	0.02
Capital One Financial Corporation	Reported	300	7.42	2	0.50	-	-	2	0.26	302	6.26
Live Oak Bancshares, Inc.	Reported	-	-	-	-	1	0.27	1	0.13	1	0.02
First Midwest Bancorp, Inc.	Reported	-	-	1	0.25	-	-	1	0.13	1	0.02
Seacoast Banking Corporation of Florida	Reported	-	-	1	0.25	-	-	1	0.13	1	0.02
Old National Bancorp	Reported	-	-	1	0.25	-	-	1	0.13	1	0.02
KeyCorp	Reported	-	-	1	0.25	-	-	1	0.13	1	0.02
Citizens Financial Group, Inc.	Reported	38	0.94	1	0.25	-	-	1	0.13	39	0.81
Banco Santander, SA	Reported	-	-	1	0.25	-	-	1	0.13	1	0.02
Banterra Corp.	Reported	3	0.07	1	0.25	-	-	1	0.13	4	0.08
CIT Group Inc.	Reported	16	0.40	1	0.25	-	-	1	0.13	17	0.35
U.S. Bancorp	Reported	162	4.01	1	0.25	-	-	1	0.13	163	3.38
Pinnacle Bancorp, Inc.	Reported	-	-	1	0.25	-	-	1	0.13	1	0.02
Freeland State Bank	Estimated	4	0.09	2	0.45	-	-	2	0.23	5	0.11
Citigroup Inc.	Reported	499	12.35	-	-	-	-	-	-	499	10.35
Bank of America Corporation	Reported	123	3.04	-	-	-	-	-	-	123	2.55
Synchrony Financial	Reported	219	5.42	-	-	-	-	-	-	219	4.54
Lauritzen Corporation	Reported	40	0.99	-	-	-	-	-	-	40	0.83

Small Business Loan Originations
2019 CRA Data

Institution	Data Source	Number of Loans									
		Business Loans < \$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
			Share		Share		Share		Share		Share
WEX Bank	Reported	39	0.96	-	-	-	-	-	-	39	0.81
Truist Financial Corporation	Reported	22	0.54	-	-	-	-	-	-	22	0.46
Deere & Company	Reported	20	0.49	-	-	-	-	-	-	20	0.41
Texas Capital Bancshares, Inc.	Reported	18	0.45	-	-	-	-	-	-	18	0.37
Axos Financial, Inc.	Reported	2	0.05	-	-	-	-	-	-	2	0.04
Discover Financial Services	Reported	32	0.79	-	-	-	-	-	-	32	0.66
Pinnacle Financial Partners, Inc.	Reported	10	0.25	-	-	-	-	-	-	10	0.21
Ameris Bancorp	Reported	8	0.20	-	-	-	-	-	-	8	0.17
Macatawa Bank Corporation	Reported	1	0.02	-	-	-	-	-	-	1	0.02
Waterford Bancorp, Inc.	Reported	1	0.02	-	-	-	-	-	-	1	0.02
Commerce Bancshares, Inc.	Reported	3	0.07	-	-	-	-	-	-	3	0.06
Triumph Bancorp, Inc.	Reported	5	0.12	-	-	-	-	-	-	5	0.10
Green Dot Corporation	Reported	2	0.05	-	-	-	-	-	-	2	0.04
Republic Bancorp, Inc.	Reported	1	0.02	-	-	-	-	-	-	1	0.02
Total		4,042	100.00	404	100.00	376	100.00	780	100.00	4,822	100.00
Huntington Bancshares Incorporated	Reported	109	2.70	12	2.97	20	5.31	32	4.10	141	2.92
TCF Financial Corporation	Reported	90	2.23	43	10.65	51	13.55	94	12.05	184	3.82
Combined		199	4.92	55	13.63	71	18.86	126	16.15	325	6.74
Pre-merger HHI		919.7		1,426.6		1,611.8		1,498.7		781.6	
Change		12.0		63.3		144.0		98.9		22.3	
Post-merger HHI		931.7		1,489.9		1,755.8		1,597.5		803.9	

Market approximated by Arenac, Bay, Saginaw, and Tuscola counties, M

Depository Institutions and Market Share

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls Weighted 50%	Share
<u>Ludington, MI Fed Banking Market</u>							
West Shore Bank Corporation	Bank	6	28.57	330,701	34.15	330,701	34.15
Lake Financial Corporation	Bank	3	14.29	153,952	15.90	153,952	15.90
TCF Financial Corporation 1/	Bank	3	14.29	151,958	15.69	151,958	15.69
PNC Financial Services Group, Inc.	Bank	2	9.52	135,808	14.02	135,808	14.02
Fifth Third Bancorp	Bank	1	4.76	72,508	7.49	72,508	7.49
Huntington Bancshares Incorporated 2/	Bank	3	14.29	64,004	6.61	64,004	6.61
Shelby Financial Corporation	Bank	2	9.52	30,020	3.10	30,020	3.10
Honor Bancorp, Inc.	Bank	1	4.76	29,441	3.04	29,441	3.04
Total		21	100.00	968,392	100.00	968,392	100.00
Huntington Bancshares Incorporated 2/	Bank	3	14.29	64,004	6.61	64,004	6.61
TCF Financial Corporation 1/ Post Merger	Bank	<u>3</u>	<u>14.29</u>	<u>151,958</u>	<u>15.69</u>	<u>151,958</u>	<u>15.69</u>
		6	28.57	215,962	22.30	215,962	22.30
Pre-merger HHI		1,655.3		1,980.4		1,980.4	
Change		408.2		207.4		207.4	
Post-merger HHI		2,063.5		2,187.9		2,187.9	

1/ Branch count excludes a drive-through location at 3965 W US Hwy 10, Ludington, MI that reported no deposits as of 6/30/2020.

2/ Branch count excludes a drive-through location at 71 Division Street, Manistee, MI that reported no deposits as of 6/30/2020.

Depository Institutions and Market Share
Including Credit Unions Accessible to 80% of the Market's Population

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	All		Retail		Total		Select CUs		Select CUs	
		Branches	Share	Branches	Share	Deposits	Share	Weighted 50%	Share	Weighted 50%	Share
											>2% C&I at 100%
<u>Ludington, MI Fed Banking Market</u>											
West Shore Bank Corporation	Bank	6	22.22	6	24.00	330,701	25.37	330,701	29.59	330,701	29.08
Filer CU (100%)	CU	3	11.11	3	12.00	156,995	12.05	78,498	7.02	78,498	6.90
Lake Financial Corporation	Bank	3	11.11	3	12.00	153,952	11.81	153,952	13.77	153,952	13.54
TCF Financial Corporation 1/	Bank	2	7.41	2	8.00	151,958	11.66	151,958	13.60	151,958	13.36
PNC Financial Services Group, Inc.	Bank	2	7.41	2	8.00	135,808	10.42	135,808	12.15	135,808	11.94
Safe Harbor CU (100%)	CU	1	3.70	1	4.00	72,912	5.59	36,456	3.26	36,456	3.21
Fifth Third Bancorp	Bank	1	3.70	1	4.00	72,508	5.56	72,508	6.49	72,508	6.38
Huntington Bancshares Incorporated 2/	Bank	2	7.41	2	8.00	64,004	4.91	64,004	5.73	64,004	5.63
4Front CU (100%) (2.0% C&I/Assets)	CU	1	3.70	1	4.00	39,179	3.01	19,589	1.75	39,179	3.45
Shelby Financial Corporation	Bank	2	7.41	2	8.00	30,020	2.30	30,020	2.69	30,020	2.64
Honor Bancorp, Inc.	Bank	1	3.70	1	4.00	29,441	2.26	29,441	2.63	29,441	2.59
Preferred CU (100%)	CU	1	3.70	1	4.00	29,394	2.26	14,697	1.32	14,697	1.29
West Michigan CU	CU	1	3.70	-	-	30,639	2.35	-	-	-	-
Mason Cnty School Emps CU	CU	1	3.70	-	-	5,748	0.44	-	-	-	-
Total		27	100.00	25	100.00	1,303,259	100.00	1,117,632	100.00	1,137,221	100.00
Total Credit Unions	6	8	29.63	6	24.00	334,867	25.69	149,240	13.35	168,829	14.85
Huntington Bancshares Incorporated 2/	Bank	2	7.41	2	8.00	64,004	4.91	64,004	5.73	64,004	5.63
TCF Financial Corporation 1/	Bank	2	7.41	2	8.00	151,958	11.66	151,958	13.60	151,958	13.36
Post Merger		4	14.81	4	16.00	215,962	16.57	215,962	19.32	215,962	18.99
Pre-merger HHI		1,056.2		1,200.0		1,289.7		1,551.6		1,507.5	
Change		109.7		128.0		114.5		155.7		150.4	
Post-merger HHI		1,166.0		1,328.0		1,404.2		1,707.3		1,657.9	

1/ Branch count excludes a drive-through location at 3965 W US Hwy 10, Ludington, MI that reported no deposits as of 6/30/2020.

2/ Branch count excludes a drive-through location at 71 Division Street, Manistee, MI that reported no deposits as of 6/30/2020.

Small Business Loan Originations

2019 CRA Data

Institution	Data Source	Volume of Loans (\$000)									
		Business Loans <\$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
			Share		Share		Share		Share		Share
<u>Ludington, MI Fed Banking Market</u>											
West Shore Bank Corporation	Estimated	4,572	28.41	12,154	55.44	29,950	49.36	42,105	50.97	46,677	47.29
Lake Financial Corporation	Estimated	2,071	12.87	4,571	20.85	11,134	18.35	15,705	19.01	17,776	18.01
Honor Bancorp, Inc.	Estimated	717	4.46	2,280	10.40	7,491	12.34	9,771	11.83	10,488	10.63
TCF Financial Corporation	Reported	577	3.59	684	3.12	4,730	7.79	5,414	6.55	5,991	6.07
Shelby Financial Corporation	Estimated	472	2.93	985	4.49	2,843	4.69	3,829	4.63	4,300	4.36
Bank of America Corporation	Reported	178	1.11	-	-	1,222	2.01	1,222	1.48	1,400	1.42
Huntington Bancshares Incorporated	Reported	215	1.34	153	0.70	915	1.51	1,068	1.29	1,283	1.30
JPMorgan Chase & Co.	Reported	1,487	9.24	-	-	1,000	1.65	1,000	1.21	2,487	2.52
Mercantile Bank Corporation	Reported	40	0.25	-	-	572	0.94	572	0.69	612	0.62
Fifth Third Bancorp	Reported	104	0.65	-	-	500	0.82	500	0.61	604	0.61
Wells Fargo & Company	Reported	577	3.59	125	0.57	324	0.53	449	0.54	1,026	1.04
PNC Financial Services Group, Inc.	Reported	799	4.96	371	1.69	-	-	371	0.45	1,170	1.19
Independent Bank Corporation	Reported	-	-	362	1.65	-	-	362	0.44	362	0.37
American Express Company	Reported	1,154	7.17	135	0.62	-	-	135	0.16	1,289	1.31
Citizens Financial Group, Inc.	Reported	157	0.98	103	0.47	-	-	103	0.12	260	0.26
Capital One Financial Corporation	Reported	909	5.65	-	-	-	-	-	-	909	0.92
Citigroup Inc.	Reported	842	5.23	-	-	-	-	-	-	842	0.85
U.S. Bancorp	Reported	267	1.66	-	-	-	-	-	-	267	0.27
Synchrony Financial	Reported	195	1.21	-	-	-	-	-	-	195	0.20
Isabella Bank Corporation	Reported	150	0.93	-	-	-	-	-	-	150	0.15
Wintrust Financial Corporation	Reported	120	0.75	-	-	-	-	-	-	120	0.12
Lauritzen Corporation	Reported	79	0.49	-	-	-	-	-	-	79	0.08
WEX Bank	Reported	66	0.41	-	-	-	-	-	-	66	0.07
Axos Financial, Inc.	Reported	60	0.37	-	-	-	-	-	-	60	0.06
Deere & Company	Reported	55	0.34	-	-	-	-	-	-	55	0.06
Truist Financial Corporation	Reported	52	0.32	-	-	-	-	-	-	52	0.05
Arvest Bank Group, Inc.	Reported	50	0.31	-	-	-	-	-	-	50	0.05
Discover Financial Services	Reported	34	0.21	-	-	-	-	-	-	34	0.03
Mackinac Financial Corporation	Reported	33	0.21	-	-	-	-	-	-	33	0.03
Stearns Financial Services, Inc.	Reported	24	0.15	-	-	-	-	-	-	24	0.02
CIT Group Inc.	Reported	16	0.10	-	-	-	-	-	-	16	0.02
Green Dot Corporation	Reported	16	0.10	-	-	-	-	-	-	16	0.02
Ameris Bancorp	Reported	4	0.02	-	-	-	-	-	-	4	0.00
Texas Capital Bancshares, Inc.	Reported	2	0.01	-	-	-	-	-	-	2	0.00
Total		16,094	100.00	21,924	100.00	60,681	100.00	82,605	100.00	98,699	100.00
Huntington Bancshares Incorporated	Reported	215	1.34	153	0.70	915	1.51	1,068	1.29	1,283	1.30
TCF Financial Corporation	Reported	577	3.59	684	3.12	4,730	7.79	5,414	6.55	5,991	6.07
Combined		792	4.92	837	3.82	5,645	9.30	6,482	7.85	7,274	7.37
Pre-merger HHI		1,258.5		3,653.3		3,018.7		3,170.8		2,746.6	
Change		9.6		4.4		23.5		16.9		15.8	
Post-merger HHI		1,268.1		3,657.7		3,042.3		3,187.7		2,762.4	

Market approximated by Lake, Manistee, and Mason counties, MI.

Small Business Loan Originations
2019 CRA Data

Institution	Data Source	Number of Loans									
		Business Loans <\$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
			Share		Share		Share		Share		Share
<u>Ludington, MI Fed Banking Market</u>											
West Shore Bank Corporation	Estimated	172	16.84	104	56.99	91	54.46	195	55.78	367	26.79
Lake Financial Corporation	Estimated	69	6.75	40	21.75	33	19.51	72	20.67	141	10.31
Honor Bancorp, Inc.	Estimated	25	2.42	18	10.05	20	12.01	38	10.99	63	4.61
TCF Financial Corporation	Reported	14	1.37	4	2.19	7	4.18	11	3.14	25	1.82
Shelby Financial Corporation	Estimated	14	1.36	9	4.65	7	4.47	16	4.57	30	2.18
Bank of America Corporation	Reported	19	1.86	-	-	3	1.79	3	0.86	22	1.61
Huntington Bancshares Incorporated	Reported	6	0.59	1	0.55	1	0.60	2	0.57	8	0.58
JPMorgan Chase & Co.	Reported	139	13.63	-	-	1	0.60	1	0.29	140	10.22
Mercantile Bank Corporation	Reported	1	0.10	-	-	2	1.19	2	0.57	3	0.22
Fifth Third Bancorp	Reported	6	0.59	-	-	1	0.60	1	0.29	7	0.51
Wells Fargo & Company	Reported	14	1.37	1	0.55	1	0.60	2	0.57	16	1.17
PNC Financial Services Group, Inc.	Reported	68	6.67	2	1.09	-	-	2	0.57	70	5.11
Independent Bank Corporation	Reported	-	-	2	1.09	-	-	2	0.57	2	0.15
American Express Company	Reported	113	11.08	1	0.55	-	-	1	0.29	114	8.32
Citizens Financial Group, Inc.	Reported	4	0.39	1	0.55	-	-	1	0.29	5	0.36
Capital One Financial Corporation	Reported	70	6.86	-	-	-	-	-	-	70	5.11
Citigroup Inc.	Reported	134	13.14	-	-	-	-	-	-	134	9.78
U.S. Bancorp	Reported	41	4.02	-	-	-	-	-	-	41	2.99
Synchrony Financial	Reported	57	5.59	-	-	-	-	-	-	57	4.16
Isabella Bank Corporation	Reported	3	0.29	-	-	-	-	-	-	3	0.22
Wintrust Financial Corporation	Reported	6	0.59	-	-	-	-	-	-	6	0.44
Lauritzen Corporation	Reported	5	0.49	-	-	-	-	-	-	5	0.36
WEX Bank	Reported	10	0.98	-	-	-	-	-	-	10	0.73
Axos Financial, Inc.	Reported	1	0.10	-	-	-	-	-	-	1	0.07
Deere & Company	Reported	5	0.49	-	-	-	-	-	-	5	0.36
Truist Financial Corporation	Reported	5	0.49	-	-	-	-	-	-	5	0.36
Arvest Bank Group, Inc.	Reported	1	0.10	-	-	-	-	-	-	1	0.07
Discover Financial Services	Reported	10	0.98	-	-	-	-	-	-	10	0.73
Mackinac Financial Corporation	Reported	1	0.10	-	-	-	-	-	-	1	0.07
Stearns Financial Services, Inc.	Reported	1	0.10	-	-	-	-	-	-	1	0.07
CIT Group Inc.	Reported	1	0.10	-	-	-	-	-	-	1	0.07
Green Dot Corporation	Reported	2	0.20	-	-	-	-	-	-	2	0.15
Ameris Bancorp	Reported	2	0.20	-	-	-	-	-	-	2	0.15
Texas Capital Bancshares, Inc.	Reported	2	0.20	-	-	-	-	-	-	2	0.15
Total		1,020	100.00	183	100.00	167	100.00	350	100.00	1,370	100.00
Huntington Bancshares Incorporated	Reported	6	0.59	1	0.55	1	0.60	2	0.57	8	0.58
TCF Financial Corporation	Reported	14	1.37	4	2.19	7	4.18	11	3.14	25	1.82
Combined		20	1.96	5	2.73	8	4.78	13	3.71	33	2.41
Pre-merger HHI		967.8		3,851.9		3,533.7		3,692.9		1,207.5	
Change		1.6		2.4		5.0		3.6		2.1	
Post-merger HHI		969.4		3,854.3		3,538.6		3,696.5		1,209.6	

Market approximated by Lake, Manistee, and Mason counties, MI.

Depository Institutions and Market Share

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls Weighted 50%	Share
<u>Traverse City, MI Fed Banking Market</u>							
Fifth Third Bancorp 1/	Bank	6	10.71	953,112	22.52	953,112	22.52
TCF Financial Corporation 2/	Bank	9	16.07	735,358	17.37	735,358	17.37
Huntington Bancshares Incorporated	Bank	10	17.86	677,258	16.00	677,258	16.00
JPMorgan Chase & Co. 3/	Bank	4	7.14	539,124	12.74	539,124	12.74
Independent Bank Corporation	Bank	5	8.93	243,220	5.75	243,220	5.75
Central-State Bancorp, Inc. 4/	Bank	5	8.93	212,159	5.01	212,159	5.01
First National Bancshares, Inc.	Bank	1	1.79	207,698	4.91	207,698	4.91
Honor Bancorp, Inc.	Bank	6	10.71	198,107	4.68	198,107	4.68
Alden State Bank	Bank	3	5.36	179,777	4.25	179,777	4.25
PNC Financial Services Group, Inc. 5/	Bank	1	1.79	129,505	3.06	129,505	3.06
Mackinac Financial Corporation	Bank	3	5.36	64,057	1.51	64,057	1.51
Harbor Springs Financial Corporation	Bank	1	1.79	50,725	1.20	50,725	1.20
West Shore Bank Corporation 6/	Bank	2	3.57	42,837	1.01	42,837	1.01
Total		56	100.00	4,232,937	100.00	4,232,937	100.00
Huntington Bancshares Incorporated	Bank	10	17.86	677,258	16.00	677,258	16.00
TCF Financial Corporation 2/	Bank	10	17.86	735,358	17.37	735,358	17.37
Post Merger		20	35.71	1,412,616	33.37	1,412,616	33.37
Pre-merger HHI		1,096.9		1,363.3		1,363.3	
Change		637.8		555.9		555.9	
Post-merger HHI		1,734.7		1,919.2		1,919.2	

1/ Branch count does not include a drive-through at 55 W 4th St, Suttons Bay, MI that reported no deposits as of 6/30/2020.

2/ Branch count does not include an administrative office at 109 E Front St, Traverse City, MI that reported no deposits as of 6/30/2020. Count also excludes a branch at 212 N Saint Joseph St, Suttons Bay that closed 8/20/2020 (though the deposits are included).

3/ Branch count does not include a drive-through at 231 E State St, Traverse City, MI that reported no deposits as of 6/30/2020.

4/ Branch count does not include a drive-through at 414 E Front St, Traverse City, MI that reported no deposits as of 6/30/2020.

5/ Branch count does not include a branch at 2537 N US Hwy 31 S, Traverse City, MI that closed as of 8/21/2020 (though the deposits are included).

6/ Branch count does not include proposed branch at 400 E Eighth St, Traverse City, MI.

Depository Institutions and Market Share
Including Credit Unions Accessible to 80% of the Market's Population

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	All		Retail		Total		Select CUs		Select CUs	
		Branches	Share	Branches	Share	Deposits	Share	Weighted 50%	Share	Weighted 50%	Share
											>2% C&I at 100%
<u>Traverse City, MI Fed Banking Market</u>											
Fifth Third Bancorp 1/	Bank	6	7.59	6	8.22	953,112	17.57	953,112	20.43	953,112	19.76
TCF Financial Corporation 2/	Bank	9	11.39	9	12.33	735,358	13.56	735,358	15.76	735,358	15.25
Huntington Bancshares Incorporated	Bank	10	12.66	10	13.70	677,258	12.49	677,258	14.52	677,258	14.04
JPMorgan Chase & Co. 3/	Bank	4	5.06	4	5.48	539,124	9.94	539,124	11.56	539,124	11.18
4Front CU (100%) (2.0% C&I/Assets)	CU	8	10.13	8	10.96	313,430	5.78	156,715	3.36	313,430	6.50
Independent Bank Corporation	Bank	5	6.33	5	6.85	243,220	4.48	243,220	5.21	243,220	5.04
Michigan State University FCU	CU	1	1.27	-	-	225,221	4.15	-	-	-	-
TBA CU (100%)	CU	2	2.53	2	2.74	222,576	4.10	111,288	2.39	111,288	2.31
Central-State Bancorp, Inc. 4/	Bank	5	6.33	5	6.85	212,159	3.91	212,159	4.55	212,159	4.40
First National Bancshares, Inc.	Bank	1	1.27	1	1.37	207,698	3.83	207,698	4.45	207,698	4.31
Honor Bancorp, Inc.	Bank	6	7.59	6	8.22	198,107	3.65	198,107	4.25	198,107	4.11
Alden State Bank	Bank	3	3.80	3	4.11	179,777	3.31	179,777	3.85	179,777	3.73
Lake Michigan CU (100%) 7/	CU	1	1.27	1	1.37	129,876	2.39	64,938	1.39	64,938	1.35
PNC Financial Services Group, Inc. 5/	Bank	1	1.27	1	1.37	129,505	2.39	129,505	2.78	129,505	2.69
Credit Union ONE (100%)	CU	1	1.27	1	1.37	78,540	1.45	39,270	0.84	39,270	0.81
Traverse Catholic FCU (97%)	CU	4	5.06	4	5.48	73,136	1.35	36,568	0.78	36,568	0.76
Forest Area FCU (77%)	CU	3	3.80	-	-	64,235	1.18	-	-	-	-
Mackinac Financial Corporation	Bank	3	3.80	3	4.11	64,057	1.18	64,057	1.37	64,057	1.33
Harbor Springs Financial Corporation	Bank	1	1.27	1	1.37	50,725	0.94	50,725	1.09	50,725	1.05
Team One CU (100%)	CU	1	1.27	1	1.37	47,692	0.88	23,846	0.51	23,846	0.49
West Shore Bank Corporation 6/	Bank	2	2.53	2	2.74	42,837	0.79	42,837	0.92	42,837	0.89
Northwest Consumers FCU	CU	1	1.27	-	-	21,766	0.40	-	-	-	-
Frankfort Community FCU	CU	1	1.27	-	-	14,196	0.26	-	-	-	-
Total		79	100.00	73	100.00	5,423,604	100.00	4,665,562	100.00	4,822,277	100.00
Total Credit Unions		10	23	17	23.29	1,190,667	21.95	432,625	9.27	589,340	12.22
Huntington Bancshares Incorporated	Bank	10	12.66	10	13.70	677,258	12.49	677,258	14.52	677,258	14.04
TCF Financial Corporation 2/	Bank	9	11.39	9	12.33	735,358	13.56	735,358	15.76	735,358	15.25
Post Merger		19	24.05	19	26.03	1,412,616	26.05	1,412,616	30.28	1,412,616	29.29

Depository Institutions and Market Share
Including Credit Unions Accessible to 80% of the Market's Population

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	All Branches	Share	Retail Branches	Share	Total Deposits	Share	Select CUs Weighted 50%	Share	Select CUs Weighted 50%	Share
Traverse City, MI Fed Banking Market											
Pre-merger HHI		709.8		808.8		909.9		1,142.7		1,101.3	
Change		288.4		337.8		338.6		457.6		428.3	
Post-merger HHI		998.2		1,146.6		1,248.6		1,600.2		1,529.6	

>2% C&I at 100%

** 2% Test: No deposits included for all institutions with less than 2% commercial & industrial loans to total assets ratio as of 6/30/2020.

1/ Branch count does not include a drive-through at 55 W 4th St, Suttons Bay, MI that reported no deposits as of 6/30/2020.

2/ Branch count does not include an administrative office at 109 E Front St, Traverse City, MI that reported no deposits as of 6/30/2020. Count also excludes a branch at 212 N Saint Joseph St, Suttons Bay that closed 8/20/2020 (though the deposits are included).

3/ Branch count does not include a drive-through at 231 E State St, Traverse City, MI that reported no deposits as of 6/30/2020.

4/ Branch count does not include a drive-through at 414 E Front St, Traverse City, MI that reported no deposits as of 6/30/2020.

5/ Branch count does not include a branch at 2537 N US Hwy 31 S, Traverse City, MI that closed as of 8/21/2020 (though the deposits are included).

6/ Branch count does not include proposed branch at 400 E Eighth St, Traverse City, MI.

7/ Branch count does not include proposed branch at 3650 N US 31, Traverse City, MI expected to open in late 2020.

Small Business Loan Originations
2019 CRA Data

Institution	Data Source	Volume of Loans (\$000)									
		Business Loans < \$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
		< \$100K	Share	\$100K-\$250K	Share	\$250K-\$1M	Share	100K-\$1M	Share	<\$1M	Share
<u>Traverse City, MI Fed Banking Market</u>											
TCF Financial Corporation	Reported	4,202	5.61	12,573	17.85	43,555	22.44	56,128	21.22	60,330	17.77
Central-State Bancorp, Inc.	Estimated	4,967	6.63	9,805	13.92	29,111	15.00	38,916	14.71	43,882	12.93
Independent Bank Corporation	Reported	8,059	10.76	10,344	14.68	26,902	13.86	37,246	14.08	45,305	13.35
Honor Bancorp, Inc.	Estimated	2,495	3.33	7,928	11.25	26,049	13.42	33,977	12.84	36,472	10.74
Alden State Bank	Estimated	8,242	11.01	11,690	16.59	15,157	7.81	26,847	10.15	35,089	10.34
Mackinac Financial Corporation	Reported	1,016	1.36	1,800	2.56	14,232	7.33	16,032	6.06	17,048	5.02
Harbor Springs Financial Corporation	Estimated	1,221	1.63	2,544	3.61	8,346	4.30	10,889	4.12	12,111	3.57
Huntington Bancshares Incorporated	Reported	3,288	4.39	3,042	4.32	5,855	3.02	8,897	3.36	12,185	3.59
Fifth Third Bancorp	Reported	2,110	2.82	2,641	3.75	6,053	3.12	8,694	3.29	10,804	3.18
West Shore Bank Corporation	Estimated	592	0.79	1,574	2.23	3,880	2.00	5,454	2.06	6,046	1.78
PNC Financial Services Group, Inc.	Reported	1,333	1.78	1,565	2.22	2,410	1.24	3,975	1.50	5,308	1.56
JPMorgan Chase & Co.	Reported	12,709	16.97	965	1.37	2,701	1.39	3,666	1.39	16,375	4.82
Mercantile Bank Corporation	Reported	-	-	650	0.92	2,540	1.31	3,190	1.21	3,190	0.94
Bank of America Corporation	Reported	948	1.27	145	0.21	1,331	0.69	1,476	0.56	2,424	0.71
American Express Company	Reported	8,207	10.96	424	0.60	761	0.39	1,185	0.45	9,392	2.77
First Internet Bancorp	Reported	22	0.03	237	0.34	801	0.41	1,038	0.39	1,060	0.31
Wells Fargo & Company	Reported	1,700	2.27	502	0.71	400	0.21	902	0.34	2,602	0.77
Comerica Incorporated	Reported	70	0.09	150	0.21	675	0.35	825	0.31	895	0.26
First Busey Corporation	Reported	-	-	-	-	800	0.41	800	0.30	800	0.24
Byline Bancorp, Inc.	Reported	-	-	-	-	555	0.29	555	0.21	555	0.16
Arbor Bancorp, Inc.	Reported	-	-	-	-	520	0.27	520	0.20	520	0.15
Charlevoix First Corporation	Estimated	131	0.17	193	0.27	305	0.16	498	0.19	628	0.19
Texas Capital Bancshares, Inc.	Reported	116	0.15	-	-	427	0.22	427	0.16	543	0.16
Old National Bancorp	Reported	-	-	-	-	390	0.20	390	0.15	390	0.11
Wintrust Financial Corporation	Reported	529	0.71	-	-	364	0.19	364	0.14	893	0.26
Banterra Corp.	Reported	73	0.10	281	0.40	-	-	281	0.11	354	0.10
Capital One Financial Corporation	Reported	3,705	4.95	250	0.35	-	-	250	0.09	3,955	1.17
Isabella Bank Corporation	Reported	-	-	213	0.30	-	-	213	0.08	213	0.06
Truist Financial Corporation	Reported	185	0.25	184	0.26	-	-	184	0.07	369	0.11
Northwest Bancshares, Inc.	Reported	-	-	180	0.26	-	-	180	0.07	180	0.05
Axos Financial, Inc.	Reported	192	0.26	163	0.23	-	-	163	0.06	355	0.10
1st Source Corporation	Reported	53	0.07	150	0.21	-	-	150	0.06	203	0.06
United Community Bancorp, Inc.	Reported	-	-	143	0.20	-	-	143	0.05	143	0.04
CIT Group Inc.	Reported	356	0.48	110	0.16	-	-	110	0.04	466	0.14
Citigroup Inc.	Reported	2,977	3.98	-	-	-	-	-	-	2,977	0.88
U.S. Bancorp	Reported	2,426	3.24	-	-	-	-	-	-	2,426	0.71
Citizens Financial Group, Inc.	Reported	679	0.91	-	-	-	-	-	-	679	0.20
Lauritzen Corporation	Reported	519	0.69	-	-	-	-	-	-	519	0.15
Synchrony Financial	Reported	306	0.41	-	-	-	-	-	-	306	0.09
WEX Bank	Reported	275	0.37	-	-	-	-	-	-	275	0.08
Stearns Financial Services, Inc.	Reported	211	0.28	-	-	-	-	-	-	211	0.06
Deere & Company	Reported	190	0.25	-	-	-	-	-	-	190	0.06
First National Bancshares, Inc.	Reported	181	0.24	-	-	-	-	-	-	181	0.05
Pinnacle Financial Partners, Inc.	Reported	145	0.19	-	-	-	-	-	-	145	0.04
Discover Financial Services	Reported	135	0.18	-	-	-	-	-	-	135	0.04

Small Business Loan Originations
2019 CRA Data

Institution	Data Source	Volume of Loans (\$000)									
		Business Loans < \$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
		< \$100K	Share	\$100K-\$250K	Share	\$250K-\$1M	Share	100K-\$1M	Share	<\$1M	Share
Banco Santander, SA	Reported	104	0.14	-	-	-	-	-	-	104	0.03
Valley National Bancorp	Reported	104	0.14	-	-	-	-	-	-	104	0.03
Republic Bancorp, Inc.	Reported	55	0.07	-	-	-	-	-	-	55	0.02
Triumph Bancorp, Inc.	Reported	31	0.04	-	-	-	-	-	-	31	0.01
Ameris Bancorp	Reported	10	0.01	-	-	-	-	-	-	10	0.00
Commerce Bancshares, Inc.	Reported	10	0.01	-	-	-	-	-	-	10	0.00
First Merchants Corporation	Reported	10	0.01	-	-	-	-	-	-	10	0.00
Total		74,889	100.00	70,445	100.00	194,120	100.00	264,565	100.00	339,454	100.00
Huntington Bancshares Incorporated	Reported	3,288	4.39	3,042	4.32	5,855	3.02	8,897	3.36	12,185	3.59
TCF Financial Corporation	Reported	4,202	5.61	12,573	17.85	43,555	22.44	56,128	21.22	60,330	17.77
Combined		<u>7,490</u>	<u>10.00</u>	<u>15,615</u>	<u>22.17</u>	<u>49,410</u>	<u>25.45</u>	<u>65,025</u>	<u>24.58</u>	<u>72,515</u>	<u>21.36</u>
Pre-merger HHI		827.5		1,196.6		1,263.1		1,219.4		986.1	
Change		49.3		154.1		135.3		142.7		127.6	
Post-merger HHI		876.8		1,350.8		1,398.4		1,362.1		1,113.7	

Market approximated by Antrim, Benzie, Grand Traverse, Kalkaska, and Leelanau counties, MI.

Small Business Loan Originations
2019 CRA Data

Institution	Data Source	Number of Loans									
		Business Loans < \$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
			Share		Share		Share		Share		Share
<u>Traverse City, MI Fed Banking Market</u>											
TCF Financial Corporation	Reported	77	1.74	70	14.09	75	17.44	145	15.65	222	4.14
Central-State Bancorp, Inc.	Estimated	178	4.01	95	19.12	71	16.44	166	17.88	343	6.41
Independent Bank Corporation	Reported	143	3.23	60	12.08	49	11.40	109	11.76	252	4.70
Honor Bancorp, Inc.	Estimated	86	1.94	64	12.87	70	16.27	134	14.45	220	4.10
Alden State Bank	Estimated	294	6.64	97	19.45	49	11.44	146	15.73	440	8.21
Mackinac Financial Corporation	Reported	19	0.43	10	2.01	29	6.75	39	4.21	58	1.08
Harbor Springs Financial Corporation	Estimated	43	0.98	21	4.26	21	4.95	42	4.58	86	1.60
Huntington Bancshares Incorporated	Reported	116	2.62	17	3.42	16	3.72	33	3.56	149	2.78
Fifth Third Bancorp	Reported	60	1.35	13	2.62	9	2.09	22	2.37	82	1.53
West Shore Bank Corporation	Estimated	22	0.50	13	2.72	12	2.75	25	2.73	48	0.89
PNC Financial Services Group, Inc.	Reported	102	2.30	8	1.61	5	1.16	13	1.40	115	2.15
JPMorgan Chase & Co.	Reported	1,074	24.24	5	1.01	5	1.16	10	1.08	1,084	20.24
Mercantile Bank Corporation	Reported	-	-	3	0.60	4	0.93	7	0.76	7	0.13
Bank of America Corporation	Reported	92	2.08	1	0.20	2	0.47	3	0.32	95	1.77
American Express Company	Reported	652	14.72	2	0.40	2	0.47	4	0.43	656	12.25
First Internet Bancorp	Reported	1	0.02	1	0.20	2	0.47	3	0.32	4	0.07
Wells Fargo & Company	Reported	40	0.90	4	0.81	1	0.23	5	0.54	45	0.84
Comerica Incorporated	Reported	2	0.05	1	0.20	1	0.23	2	0.22	4	0.07
First Busey Corporation	Reported	-	-	-	-	1	0.23	1	0.11	1	0.02
Byline Bancorp, Inc.	Reported	-	-	-	-	1	0.23	1	0.11	1	0.02
Arbor Bancorp, Inc.	Reported	-	-	-	-	1	0.23	1	0.11	1	0.02
Charlevoix First Corporation	Estimated	5	0.11	2	0.30	1	0.25	3	0.28	7	0.14
Texas Capital Bancshares, Inc.	Reported	10	0.23	-	-	1	0.23	1	0.11	11	0.21
Old National Bancorp	Reported	-	-	-	-	1	0.23	1	0.11	1	0.02
Wintrust Financial Corporation	Reported	66	1.49	-	-	1	0.23	1	0.11	67	1.25
Banterra Corp.	Reported	1	0.02	2	0.40	-	-	2	0.22	3	0.06
Capital One Financial Corporation	Reported	357	8.06	1	0.20	-	-	1	0.11	358	6.68
Isabella Bank Corporation	Reported	-	-	1	0.20	-	-	1	0.11	1	0.02
Truist Financial Corporation	Reported	20	0.45	1	0.20	-	-	1	0.11	21	0.39
Northwest Bancshares, Inc.	Reported	-	-	1	0.20	-	-	1	0.11	1	0.02
Axos Financial, Inc.	Reported	4	0.09	1	0.20	-	-	1	0.11	5	0.09
1st Source Corporation	Reported	1	0.02	1	0.20	-	-	1	0.11	2	0.04
United Community Bancorp, Inc.	Reported	-	-	1	0.20	-	-	1	0.11	1	0.02
CIT Group Inc.	Reported	14	0.32	1	0.20	-	-	1	0.11	15	0.28
Citigroup Inc.	Reported	410	9.26	-	-	-	-	-	-	410	7.65
U.S. Bancorp	Reported	247	5.58	-	-	-	-	-	-	247	4.61
Citizens Financial Group, Inc.	Reported	20	0.45	-	-	-	-	-	-	20	0.37
Lauritzen Corporation	Reported	38	0.86	-	-	-	-	-	-	38	0.71
Synchrony Financial	Reported	131	2.96	-	-	-	-	-	-	131	2.45
WEX Bank	Reported	25	0.56	-	-	-	-	-	-	25	0.47
Stearns Financial Services, Inc.	Reported	7	0.16	-	-	-	-	-	-	7	0.13
Deere & Company	Reported	18	0.41	-	-	-	-	-	-	18	0.34
First National Bancshares, Inc.	Reported	4	0.09	-	-	-	-	-	-	4	0.07
Pinnacle Financial Partners, Inc.	Reported	7	0.16	-	-	-	-	-	-	7	0.13
Discover Financial Services	Reported	26	0.59	-	-	-	-	-	-	26	0.49

Small Business Loan Originations
2019 CRA Data

Institution	Data Source	Number of Loans									
		Business Loans < \$100K		Business Loans \$100K-\$250K		Business Loans \$250K-\$1M		Business Loans 100K-\$1M		Business Loans <\$1M	
			Share		Share		Share		Share		Share
Banco Santander, SA	Reported	2	0.05	-	-	-	-	-	-	2	0.04
Valley National Bancorp	Reported	2	0.05	-	-	-	-	-	-	2	0.04
Republic Bancorp, Inc.	Reported	1	0.02	-	-	-	-	-	-	1	0.02
Triumph Bancorp, Inc.	Reported	7	0.16	-	-	-	-	-	-	7	0.13
Ameris Bancorp	Reported	4	0.09	-	-	-	-	-	-	4	0.07
Commerce Bancshares, Inc.	Reported	1	0.02	-	-	-	-	-	-	1	0.02
First Merchants Corporation	Reported	1	0.02	-	-	-	-	-	-	1	0.02
Total		4,430	100.00	497	100.00	430	100.00	927	100.00	5,356	100.00
Huntington Bancshares Incorporated	Reported	116	2.62	17	3.42	16	3.72	33	3.56	149	2.78
TCF Financial Corporation	Reported	77	1.74	70	14.09	75	17.44	145	15.65	222	4.14
Combined		193	4.36	87	17.52	91	21.17	178	19.21	371	6.93
Pre-merger HHI		1,097.2		1,307.8		1,200.3		1,228.2		880.9	
Change		9.1		96.5		129.8		111.5		23.1	
Post-merger HHI		1,106.3		1,404.3		1,330.2		1,339.7		903.9	

Market approximated by Antrim, Benzie, Grand Traverse, Kalkaska, and Leelanau counties, MI.

Depository Institutions and Market Share

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total	Share	SBs, S&Ls	Share	SBs, S&Ls	Share
				Deposits		Weighted 50%		2% Thrifts	
<u>Chicago, IL Fed Banking Market</u>									
JPMorgan Chase & Co.	Bank	304	12.94	108,351,965	21.56	108,351,965	21.66	108,351,965	21.65
Bank of Montreal	Bank	190	8.09	82,860,829	16.49	82,860,829	16.56	82,860,829	16.55
Bank of America Corporation	Bank	139	5.92	46,345,193	9.22	46,345,193	9.26	46,345,193	9.26
Northern Trust Corporation	Bank	6	0.26	34,446,777	6.85	34,446,777	6.88	34,446,777	6.88
Wintrust Financial Corporation	Bank	154	6.56	33,698,454	6.71	33,698,454	6.74	33,698,454	6.73
Fifth Third Bancorp	Bank	169	7.19	27,982,994	5.57	27,982,994	5.59	27,982,994	5.59
Canadian Imperial Bank of Commerce	Bank	20	0.85	27,228,225	5.42	27,228,225	5.44	27,228,225	5.44
PNC Financial Services Group, Inc.	Bank	136	5.79	16,311,851	3.25	16,311,851	3.26	16,311,851	3.26
Citigroup Inc.	Bank	61	2.60	15,255,000	3.04	15,255,000	3.05	15,255,000	3.05
U.S. Bancorp	Bank	142	6.05	12,809,540	2.55	12,809,540	2.56	12,809,540	2.56
First Midwest Bancorp, Inc.	Bank	98	4.17	12,701,821	2.53	12,701,821	2.54	12,701,821	2.54
Wells Fargo & Company	Bank	10	0.43	8,871,972	1.77	8,871,972	1.77	8,871,972	1.77
TCF Financial Corporation	Bank	112	4.77	7,422,781	1.48	7,422,781	1.48	7,422,781	1.48
Byline Bancorp, Inc.	Bank	60	2.55	4,911,584	0.98	4,911,584	0.98	4,911,584	0.98
First American Bank Corporation	Bank	53	2.26	3,936,809	0.78	3,936,809	0.79	3,936,809	0.79
Associated Banc-Corp	Bank	25	1.06	3,758,111	0.75	3,758,111	0.75	3,758,111	0.75
Huntington Bancshares Incorporated	Bank	35	1.49	2,874,639	0.57	2,874,639	0.57	2,874,639	0.57
Old Second Bancorp, Inc.	Bank	27	1.15	2,431,436	0.48	2,431,436	0.49	2,431,436	0.49
West Suburban Bancorp, Inc.	Bank	45	1.92	2,363,369	0.47	2,363,369	0.47	2,363,369	0.47
Republic Bancorp Co.	Bank	19	0.81	1,918,462	0.38	1,918,462	0.38	1,918,462	0.38
Parkway Bancorp, Inc.	Bank	24	1.02	1,917,671	0.38	1,917,671	0.38	1,917,671	0.38
Lakeside Bancorp, Inc.	Bank	7	0.30	1,751,291	0.35	1,751,291	0.35	1,751,291	0.35
First Bank Chicago Corp.	Bank	3	0.13	1,624,683	0.32	1,624,683	0.32	1,624,683	0.32
Marquette National Corporation	Bank	23	0.98	1,500,389	0.30	1,500,389	0.30	1,500,389	0.30
State Bank of India	Bank	1	0.04	1,456,576	0.29	1,456,576	0.29	1,456,576	0.29
Lauritzen Corporation	Bank	21	0.89	1,451,648	0.29	1,451,648	0.29	1,451,648	0.29
BankFinancial Corporation	Bank	20	0.85	1,407,309	0.28	1,407,309	0.28	1,407,309	0.28
Cummins-American Corp.	Bank	7	0.30	1,182,089	0.24	1,182,089	0.24	1,182,089	0.24
Bancorp Financial, Inc.	Bank	3	0.13	1,070,218	0.21	1,070,218	0.21	1,070,218	0.21
First Busey Corporation	Bank	10	0.43	1,060,534	0.21	1,060,534	0.21	1,060,534	0.21
Midland States Bancorp, Inc.	Bank	18	0.77	1,056,517	0.21	1,056,517	0.21	1,056,517	0.21

Depository Institutions and Market Share

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls		SBs, S&Ls	
						Weighted 50%	Share	Weighted 50%	Share
2% Thrifts 100%									
<u>Chicago, IL Fed Banking Market</u>									
Signature Bancorporation, Inc.	Bank	3	0.13	1,055,706	0.21	1,055,706	0.21	1,055,706	0.21
Inland Bancorp, Inc.	Bank	14	0.60	1,038,974	0.21	1,038,974	0.21	1,038,974	0.21
HBT Financial, Inc.	Bank	21	0.89	1,032,186	0.21	1,032,186	0.21	1,032,186	0.21
National Bancorp Holdings, Inc.	Thrift	2	0.09	960,692	0.19	480,346	0.10	480,346	0.10
Providence Financial Corporation	Bank	14	0.60	815,774	0.16	815,774	0.16	815,774	0.16
Amalgamated Investments Company	Bank	2	0.09	810,394	0.16	810,394	0.16	810,394	0.16
First Secure Bank Group, Inc.	Bank	17	0.72	786,306	0.16	786,306	0.16	786,306	0.16
Cornerstone Bancorp, Inc.	Bank	5	0.21	773,536	0.15	773,536	0.15	773,536	0.15
American Community Financial, Inc.	Bank	4	0.17	685,663	0.14	685,663	0.14	685,663	0.14
Liberty Bank for Savings	SB	5	0.21	654,835	0.13	327,418	0.07	327,418	0.07
Hope Bancorp, Inc.	Bank	5	0.21	632,370	0.13	632,370	0.13	632,370	0.13
Johnson Financial Group, Inc.	Bank	5	0.21	623,434	0.12	623,434	0.12	623,434	0.12
Belmont Financial Group, Inc.	Bank	3	0.13	617,123	0.12	617,123	0.12	617,123	0.12
IBC Bancorp, Inc.	Bank	5	0.21	602,863	0.12	602,863	0.12	602,863	0.12
Oxford Financial Corporation	Bank	8	0.34	594,171	0.12	594,171	0.12	594,171	0.12
Itasca Bancorp Inc.	Bank	2	0.09	591,874	0.12	591,874	0.12	591,874	0.12
Home State Bancorp, Inc.	Bank	7	0.30	581,674	0.12	581,674	0.12	581,674	0.12
Albank Corporation	Bank	4	0.17	567,450	0.11	567,450	0.11	567,450	0.11
Resource Bancshares, Inc.	Bank	11	0.47	546,126	0.11	546,126	0.11	546,126	0.11
F.N.B.C. of La Grange, Inc.	Bank	5	0.21	538,387	0.11	538,387	0.11	538,387	0.11
Cathay General Bancorp	Bank	3	0.13	504,063	0.10	504,063	0.10	504,063	0.10
First Savings Bank of Hegewisch	SB	9	0.38	477,208	0.09	238,604	0.05	238,604	0.05
First Eagle Bancshares, Inc.	Bank	2	0.09	442,308	0.09	442,308	0.09	442,308	0.09
Hoyne Financial Corporation	Thrift	9	0.38	413,093	0.08	206,547	0.04	206,547	0.04
Elgin Bancshares, Inc.	Bank	1	0.04	388,373	0.08	388,373	0.08	388,373	0.08
Lisle Savings Bank	SB	3	0.13	384,368	0.08	192,184	0.04	192,184	0.04
Illinois State Bancorp, Inc.	Bank	4	0.17	379,189	0.08	379,189	0.08	379,189	0.08
Royal Financial, Inc.	Bank	9	0.38	378,328	0.08	378,328	0.08	378,328	0.08
CNB Bank Shares, Inc.	Bank	3	0.13	363,466	0.07	363,466	0.07	363,466	0.07
First Merchants Corporation	Bank	7	0.30	361,126	0.07	361,126	0.07	361,126	0.07
Bank Leumi le-Israel B.M.	Bank	1	0.04	357,976	0.07	357,976	0.07	357,976	0.07

Depository Institutions and Market Share

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total	Share	SBs, S&Ls	Share	SBs, S&Ls	Share
				Deposits		Weighted 50%		2% Thrifts 100%	
<u>Chicago, IL Fed Banking Market</u>									
Community Savings Bank	SB	2	0.09	349,476	0.07	174,738	0.03	174,738	0.03
GC Bancorp, Inc.	Bank	1	0.04	339,741	0.07	339,741	0.07	339,741	0.07
American Bancorp of Illinois, Inc.	Bank	6	0.26	338,179	0.07	338,179	0.07	338,179	0.07
NorthWest Indiana Bancorp	Bank	6	0.26	316,902	0.06	316,902	0.06	316,902	0.06
Orchid Financial Bancorp, Inc.	Bank	2	0.09	314,081	0.06	314,081	0.06	314,081	0.06
Community Bank Corporation	Bank	1	0.04	313,796	0.06	313,796	0.06	313,796	0.06
Bowlegs Creek, LLC	Bank	1	0.04	307,407	0.06	307,407	0.06	307,407	0.06
Hanmi Financial Corporation	Bank	3	0.13	292,099	0.06	292,099	0.06	292,099	0.06
Devon Bancorp, Inc.	Bank	8	0.34	290,382	0.06	290,382	0.06	290,382	0.06
Integrated Financial Holdings, Inc.	Bank	1	0.04	266,137	0.05	266,137	0.05	266,137	0.05
Municipal Trust and Savings Bank	Bank	3	0.13	265,663	0.05	265,663	0.05	265,663	0.05
First Security Bancorp, Inc.	Bank	1	0.04	264,495	0.05	264,495	0.05	264,495	0.05
Illinois Valley Bancorp, Inc.	Bank	4	0.17	261,134	0.05	261,134	0.05	261,134	0.05
Merchants and Manufacturers Bank Corp.	Bank	5	0.21	256,177	0.05	256,177	0.05	256,177	0.05
First Forest Park Corporation	Bank	2	0.09	253,509	0.05	253,509	0.05	253,509	0.05
First Ottawa Bancshares, Inc.	Bank	4	0.17	239,211	0.05	239,211	0.05	239,211	0.05
LWCBancorp, Inc.	Bank	2	0.09	232,963	0.05	232,963	0.05	232,963	0.05
Tri-County Financial Group, Inc.	Bank	7	0.30	231,179	0.05	231,179	0.05	231,179	0.05
First Trust Financial Corp.	Bank	5	0.21	228,272	0.05	228,272	0.05	228,272	0.05
Romy Hammes, Inc.	Bank	3	0.13	224,807	0.04	224,807	0.04	224,807	0.04
AliKat Investments, Inc.	Bank	4	0.17	224,592	0.04	224,592	0.04	224,592	0.04
McHenry Bancorp, Inc.	Thrift	3	0.13	205,095	0.04	102,548	0.02	205,095	0.04
Metropolitan Capital Bancorp, Inc.	Bank	1	0.04	193,228	0.04	193,228	0.04	193,228	0.04
North Shore, MHC	Thrift	3	0.13	192,750	0.04	96,375	0.02	96,375	0.02
Premier Commerce Bancorp, Inc.	Bank	1	0.04	190,456	0.04	190,456	0.04	190,456	0.04
RBB Bancorp	Bank	3	0.13	188,508	0.04	188,508	0.04	188,508	0.04
First National Bank of Brookfield	Bank	1	0.04	186,218	0.04	186,218	0.04	186,218	0.04
Harvard Bancshares, Inc.	Bank	3	0.13	183,115	0.04	183,115	0.04	183,115	0.04
Manhattan Bancshares, Inc.	Bank	3	0.13	179,644	0.04	179,644	0.04	179,644	0.04
Northwest Bancorporation of Illinois, Inc.	Bank	1	0.04	172,752	0.03	172,752	0.03	172,752	0.03
Millennium Bancorp, Inc.	Bank	1	0.04	170,318	0.03	170,318	0.03	170,318	0.03

Depository Institutions and Market Share

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls		SBs, S&Ls	
						Weighted 50%	Share	Weighted 50%	Share
<u>Chicago, IL Fed Banking Market</u>									
Blackhawk Bancorp, Inc.	Bank	4	0.17	160,934	0.03	160,934	0.03	160,934	0.03
Community Bancshares of Elmhurst, Inc.	Bank	3	0.13	156,161	0.03	156,161	0.03	156,161	0.03
Central FS&LA	Thrift	3	0.13	156,015	0.03	78,008	0.02	78,008	0.02
First Community Bancorp, Inc.	Bank	2	0.09	137,184	0.03	137,184	0.03	137,184	0.03
Brickyard Bancorp, Inc.	Bank	3	0.13	135,479	0.03	135,479	0.03	135,479	0.03
Foresight Financial Group, Inc.	Bank	2	0.09	126,533	0.03	126,533	0.03	126,533	0.03
United Community Bancshares, Inc.	Bank	1	0.04	126,246	0.03	126,246	0.03	126,246	0.03
First Algonquin Company	Bank	4	0.17	126,098	0.03	126,098	0.03	126,098	0.03
PeopleFirst Bank	Bank	2	0.09	125,346	0.02	125,346	0.03	125,346	0.03
Marengo Bancshares, Inc.	Bank	3	0.13	124,708	0.02	124,708	0.02	124,708	0.02
Burling Bancorp, Inc.	Bank	1	0.04	123,317	0.02	123,317	0.02	123,317	0.02
Schaumburg Bancshares, Inc.	Bank	1	0.04	122,784	0.02	122,784	0.02	122,784	0.02
Midland Capital Holdings Corp.	Thrift	4	0.17	106,263	0.02	53,132	0.01	53,132	0.01
North Shore Bank, FSB	Thrift	5	0.21	104,522	0.02	52,261	0.01	104,522	0.02
Allied First Bancorp, Inc.	Bank	1	0.04	104,377	0.02	104,377	0.02	104,377	0.02
First Equity Corp.	Bank	1	0.04	102,562	0.02	102,562	0.02	102,562	0.02
Town Center Bank	Bank	2	0.09	100,078	0.02	100,078	0.02	100,078	0.02
Triumph Bancorp, Inc.	Bank	1	0.04	98,130	0.02	98,130	0.02	98,130	0.02
First Federal Savings Bank	Thrift	3	0.13	97,623	0.02	48,812	0.01	48,812	0.01
Groupe Nduom	Bank	1	0.04	91,978	0.02	91,978	0.02	91,978	0.02
Central Savings, F.S.B.	Thrift	3	0.13	86,442	0.02	43,221	0.01	43,221	0.01
Geneva Bancshares, Inc.	Bank	1	0.04	84,200	0.02	84,200	0.02	84,200	0.02
SBT Bancshares, Inc.	Bank	2	0.09	77,689	0.02	77,689	0.02	77,689	0.02
St. Anne Bancorp, Inc.	Bank	2	0.09	76,701	0.02	76,701	0.02	76,701	0.02
IF Bancorp, Inc.	Thrift	2	0.09	71,073	0.01	35,537	0.01	71,073	0.01
Sterling Bancshares, Inc.	Bank	1	0.04	69,824	0.01	69,824	0.01	69,824	0.01
American Metro Bancorp, Inc.	Bank	2	0.09	66,061	0.01	66,061	0.01	66,061	0.01
First Financial Bancorp.	Bank	1	0.04	61,493	0.01	61,493	0.01	61,493	0.01
LaSalle Bancorp, Inc.	Bank	1	0.04	60,085	0.01	60,085	0.01	60,085	0.01
Mutual Federal Bancorp, Inc. (MHC)	Thrift	1	0.04	59,282	0.01	29,641	0.01	29,641	0.01
Union Bancorporation, Inc.	Bank	2	0.09	58,243	0.01	58,243	0.01	58,243	0.01

Depository Institutions and Market Share

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Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls		SBs, S&Ls	
						Weighted 50%	Share	Weighted 50%	Share
Chicago, IL Fed Banking Market									
Lemont Bancorp, Inc.	Bank	5	0.21	51,973	0.01	51,973	0.01	51,973	0.01
Piper Bankshares, Inc.	Bank	2	0.09	51,697	0.01	51,697	0.01	51,697	0.01
AmBank Holdings, Inc.	Bank	3	0.13	50,885	0.01	50,885	0.01	50,885	0.01
Mitsubishi UFJ Financial Group, Inc.	Bank	1	0.04	48,139	0.01	48,139	0.01	48,139	0.01
Ottawa Bancorp, Inc.	Thrift	1	0.04	44,649	0.01	22,325	0.00	44,649	0.01
First Trust Holdings, Inc.	Bank	1	0.04	44,328	0.01	44,328	0.01	44,328	0.01
Fidelity Federal Bancorp	Thrift	2	0.09	44,310	0.01	22,155	0.00	44,310	0.01
Woodforest Financial Group, Inc.	Bank	13	0.55	42,741	0.01	42,741	0.01	42,741	0.01
Admiral Family Banks, Inc.	Bank	3	0.13	56,263	0.01	56,263	0.01	56,263	0.01
S & H Holdings, Inc.	Bank	2	0.09	42,188	0.01	42,188	0.01	42,188	0.01
Pulaski Savings Bank	SB	1	0.04	39,569	0.01	19,785	0.00	19,785	0.00
Montgomery Bancshares, Inc.	Bank	1	0.04	38,352	0.01	38,352	0.01	38,352	0.01
Waterman Acquisition Group, LLC	Bank	1	0.04	37,286	0.01	37,286	0.01	37,286	0.01
North Side FS&LA of Chicago	Thrift	1	0.04	37,214	0.01	18,607	0.00	37,214	0.01
Liberty Financial Services, Inc.	Bank	1	0.04	34,544	0.01	34,544	0.01	34,544	0.01
United Bancorp, Inc.	Thrift	1	0.04	29,366	0.01	14,683	0.00	14,683	0.00
Dickinson Financial Corporation II	Bank	3	0.13	27,113	0.01	27,113	0.01	27,113	0.01
SV Financial, Inc.	Bank	1	0.04	18,061	0.00	18,061	0.00	18,061	0.00
Tri City Bankshares Corporation	Bank	1	0.04	15,590	0.00	15,590	0.00	15,590	0.00
CIB Marine Bancshares, Inc.	Bank	1	0.04	15,477	0.00	15,477	0.00	15,477	0.00
Pontiac Bancorp, Inc.	Bank	1	0.04	12,734	0.00	12,734	0.00	12,734	0.00
Merchants Bancorp	Bank	1	0.04	6,625	0.00	6,625	0.00	6,625	0.00
Beal Financial Corporation	Thrift	2	0.09	2,246	0.00	154	0.00	154	0.00
First Mid Bancshares, Inc.	Bank	1	0.04	1,945	0.00	1,945	0.00	1,945	0.00
Bank of New York Mellon Corporation	Bank	2	0.09	-	-	-	-	-	-
Mizuho Financial Group Inc.	Bank	1	0.04	-	-	-	-	-	-
AMG National Corp.	Bank	1	0.04	-	-	-	-	-	-
Bankers' Bancorporation, Inc.	Bank	1	0.04	-	-	-	-	-	-
Morgan Stanley	Bank	1	0.04	-	-	-	-	-	-
Société Générale SA	Bank	1	0.04	-	-	-	-	-	-
Thrivent Trust Co.	Thrift	1	0.04	-	-	-	-	-	-

Depository Institutions and Market Share

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Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls Weighted 50%	Share	SBs, S&Ls 2% Thrifts 100%	Share
<u>Chicago, IL Fed Banking Market</u>									
Total		2,349	100.00	502,582,785	100.00	500,323,771	100.00	500,577,202	100.00
Huntington Bancshares Incorporated	Bank	35	1.49	2,874,639	0.57	2,874,639	0.57	2,874,639	0.57
TCF Financial Corporation	Bank	<u>112</u>	<u>4.77</u>	<u>7,422,781</u>	<u>1.48</u>	<u>7,422,781</u>	<u>1.48</u>	<u>7,422,781</u>	<u>1.48</u>
Post Merger		147	6.26	10,297,420	2.05	10,297,420	2.06	10,297,420	2.06
Pre-merger HHI		510.7		1,016.4		1,025.6		1,024.5	
Change		14.2		1.7		1.7		1.7	
Post-merger HHI		524.9		1,018.1		1,027.3		1,026.2	

Depository Institutions and Market Share

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Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls		SBs, S&Ls	
						Weighted 50%	Share	Weighted 50%	Share
								2% Thrifts	100%
<u>Elkhart/Niles/South Bend, IN Fed Banking Market</u>									
1st Source Corporation	Bank	43	20.00	3,959,677	30.29	3,959,677	31.22	3,959,677	30.50
Lakeland Financial Corporation	Bank	32	14.88	2,548,170	19.49	2,548,170	20.09	2,548,170	19.63
JPMorgan Chase & Co.	Bank	8	3.72	1,280,454	9.79	1,280,454	10.10	1,280,454	9.86
KeyCorp	Bank	18	8.37	725,301	5.55	725,301	5.72	725,301	5.59
PNC Financial Services Group, Inc.	Bank	11	5.12	607,236	4.64	607,236	4.79	607,236	4.68
Fifth Third Bancorp	Bank	6	2.79	557,649	4.27	557,649	4.40	557,649	4.30
Crystal Valley Financial Corporation	Bank	6	2.79	516,615	3.95	516,615	4.07	516,615	3.98
FS Bancorp	Bank	9	4.19	512,104	3.92	512,104	4.04	512,104	3.95
Northwest Bancshares, Inc.	Thrift	14	6.51	438,621	3.36	219,311	1.73	438,621	3.38
Old National Bancorp	Bank	6	2.79	307,883	2.36	307,883	2.43	307,883	2.37
Sturgis Bancorp, Inc.	Bank	3	1.40	224,609	1.72	224,609	1.77	224,609	1.73
TCF Financial Corporation	Bank	4	1.86	205,534	1.57	205,534	1.62	205,534	1.58
American Midwest Financial Corp.	Thrift	4	1.86	184,951	1.41	92,476	0.73	92,476	0.71
Horizon Bancorp, Inc.	Bank	10	4.65	182,821	1.40	182,821	1.44	182,821	1.41
Flagstar Bancorp, Inc.	Thrift	7	3.26	160,243	1.23	80,122	0.63	160,243	1.23
First Bancshares, Inc.	Bank	9	4.19	122,687	0.94	122,687	0.97	122,687	0.95
Huntington Bancshares Incorporated	Bank	3	1.40	113,955	0.87	113,955	0.90	113,955	0.88
Century Financial Corporation	Bank	2	0.93	66,571	0.51	66,571	0.52	66,571	0.51
Jones Bancorp, Inc.	Bank	4	1.86	61,515	0.47	61,515	0.49	61,515	0.47
First Farmers Financial Corporation	Bank	1	0.47	57,769	0.44	57,769	0.46	57,769	0.45
First National Bank of Monterey	Bank	1	0.47	51,854	0.40	51,854	0.41	51,854	0.40
First Merchants Corporation	Bank	1	0.47	48,400	0.37	48,400	0.38	48,400	0.37
FFW Corporation	Bank	2	0.93	43,995	0.34	43,995	0.35	43,995	0.34
Southern Michigan Bancorp, Inc.	Bank	1	0.47	33,209	0.25	33,209	0.26	33,209	0.26
C&F Banc Shares Corp.	Bank	2	0.93	20,580	0.16	20,580	0.16	20,580	0.16
Northeast Indiana Bancorp, Inc.	Bank	1	0.47	14,885	0.11	14,885	0.12	14,885	0.11
Edgewater Bancorp, Inc.	Bank	1	0.47	14,365	0.11	14,365	0.11	14,365	0.11
Woodforest Financial Group, Inc.	Bank	5	2.33	11,153	0.09	11,153	0.09	11,153	0.09
Everence Association, Inc.	Thrift	1	0.47	500	0.00	250	0.00	250	0.00
Total		215	100.00	13,073,306	100.00	12,681,149	100.00	12,980,581	100.00

Depository Institutions and Market Share

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls Weighted 50%	Share	SBs, S&Ls Weighted 50% 2% Thrifts 100%	Share
<u>Elkhart/Niles/South Bend, IN Fed Banking Market</u>									
Huntington Bancshares Incorporated	Bank	3	1.40	113,955	0.87	113,955	0.90	113,955	0.88
TCF Financial Corporation	Bank	4	1.86	205,534	1.57	205,534	1.62	205,534	1.58
Post Merger		7	3.26	319,489	2.44	319,489	2.52	319,489	2.46
Pre-merger HHI		888.5		1,525.3		1,609.3		1,545.6	
Change		5.2		2.7		2.9		2.8	
Post-merger HHI		893.7		1,528.0		1,612.2		1,548.4	

Depository Institutions and Market Share

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Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls Weighted 50%	Share	SBs, S&Ls 2% Thrifts 100%	Share
<u>Alma, MI Fed Banking Market</u>									
Commercial National Financial Corporation	Bank	5	38.46	297,124	43.31	297,124	43.31	297,124	43.31
Mercantile Bank Corporation	Bank	4	30.77	168,396	24.55	168,396	24.55	168,396	24.55
Isabella Bank Corporation	Bank	2	15.38	122,834	17.91	122,834	17.91	122,834	17.91
TCF Financial Corporation	Bank	1	7.69	66,766	9.73	66,766	9.73	66,766	9.73
Huntington Bancshares Incorporated	Bank	1	7.69	30,907	4.51	30,907	4.51	30,907	4.51
Total		13	100.00	686,027	100.00	686,027	100.00	686,027	100.00
Huntington Bancshares Incorporated	Bank	1	7.69	30,907	4.51	30,907	4.51	30,907	4.51
TCF Financial Corporation	Bank	1	7.69	66,766	9.73	66,766	9.73	66,766	9.73
Post Merger		2	15.38	97,673	14.24	97,673	14.24	97,673	14.24
Pre-merger HHI		2,781.1		2,914.0		2,914.0		2,914.0	
Change		118.3		87.7		87.7		87.7	
Post-merger HHI		2,899.4		3,001.7		3,001.7		3,001.7	

Depository Institutions and Market Share

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Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls		SBs, S&Ls	
						Weighted 50%	Share	Weighted 50%	Share
								2% Thrifts	100%
<u>Calhoun County, MI Fed Banking Market</u>									
TCF Financial Corporation	Bank	6	25.00	373,809	29.27	373,809	30.28	373,809	29.27
Fifth Third Bancorp	Bank	1	4.17	207,442	16.24	207,442	16.81	207,442	16.24
Comerica Incorporated	Bank	4	16.67	198,067	15.51	198,067	16.05	198,067	15.51
Southern Michigan Bancorp, Inc.	Bank	3	12.50	115,369	9.03	115,369	9.35	115,369	9.03
PNC Financial Services Group, Inc.	Bank	2	8.33	108,014	8.46	108,014	8.75	108,014	8.46
Old National Bancorp	Bank	1	4.17	79,997	6.26	79,997	6.48	79,997	6.26
Homestead Savings Bank	Thrift	2	8.33	51,899	4.06	25,950	2.10	51,899	4.06
CNB Community Bancorp, Inc.	Bank	1	4.17	39,456	3.09	39,456	3.20	39,456	3.09
JPMorgan Chase & Co.	Bank	-	-	39,342	3.08	39,342	3.19	39,342	3.08
Flagstar Bancorp, Inc.	Thrift	1	4.17	33,852	2.65	16,926	1.37	33,852	2.65
Huntington Bancshares Incorporated	Bank	2	8.33	22,280	1.74	22,280	1.81	22,280	1.74
HCB Financial Corp.	Bank	1	4.17	7,681	0.60	7,681	0.62	7,681	0.60
Total		24	100.00	1,277,208	100.00	1,234,333	100.00	1,277,208	100.00
Huntington Bancshares Incorporated	Bank	2	8.33	22,280	1.74	22,280	1.81	22,280	1.74
TCF Financial Corporation	Bank	6	25.00	373,809	29.27	373,809	30.28	373,809	29.27
Post Merger		8	33.33	396,089	31.01	396,089	32.09	396,089	31.01
Pre-merger HHI		1,354.2		1,599.2		1,693.3		1,599.2	
Change		416.7		102.1		109.3		102.1	
Post-merger HHI		1,770.8		1,701.3		1,802.7		1,701.3	

Depository Institutions and Market Share

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Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls		SBs, S&Ls	
						Weighted 50%	Share	2% Thrifts	100%
<u>Coldwater, MI Fed Banking Market</u>									
Southern Michigan Bancorp, Inc.	Bank	6	35.29	337,149	43.63	337,149	45.31	337,149	43.63
Century Financial Corporation	Bank	5	29.41	212,268	27.47	212,268	28.53	212,268	27.47
PNC Financial Services Group, Inc.	Bank	1	5.88	79,390	10.27	79,390	10.67	79,390	10.27
Flagstar Bancorp, Inc.	Thrift	1	5.88	57,361	7.42	28,681	3.85	57,361	7.42
TCF Financial Corporation	Bank	2	11.76	51,783	6.70	51,783	6.96	51,783	6.70
Sturgis Bancorp, Inc.	Bank	1	5.88	19,833	2.57	19,833	2.67	19,833	2.57
Huntington Bancshares Incorporated	Bank	1	5.88	15,029	1.94	15,029	2.02	15,029	1.94
Total		17	100.00	772,813	100.00	744,133	100.00	772,813	100.00
Huntington Bancshares Incorporated	Bank	1	5.88	15,029	1.94	15,029	2.02	15,029	1.94
TCF Financial Corporation	Bank	2	11.76	51,783	6.70	51,783	6.96	51,783	6.70
Post Merger		3	17.65	66,812	8.65	66,812	8.98	66,812	8.65
Pre-merger HHI		2,387.5		2,873.6		3,054.8		2,873.6	
Change		138.4		26.1		28.1		26.1	
Post-merger HHI		2,526.0		2,899.6		3,082.9		2,899.6	

Depository Institutions and Market Share

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Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls		SBs, S&Ls	
						Weighted 50%	Share	Weighted 50%	Share
2% Thrifts 100%									
<u>Detroit, MI Fed Banking Market</u>									
JPMorgan Chase & Co.	Bank	154	13.51	57,945,887	28.39	57,945,887	29.49	57,945,387	28.44
Comerica Incorporated	Bank	149	13.07	33,011,414	16.17	33,011,414	16.80	33,010,904	16.20
Bank of America Corporation	Bank	79	6.93	27,515,876	13.48	27,515,876	14.00	27,515,876	13.50
PNC Financial Services Group, Inc.	Bank	90	7.89	15,718,286	7.70	15,718,286	8.00	15,718,286	7.71
Flagstar Bancorp, Inc.	Thrift	69	6.05	14,477,015	7.09	7,238,508	3.68	14,477,015	7.10
Huntington Bancshares Incorporated	Bank	143	12.54	12,049,129	5.90	12,049,129	6.13	12,049,129	5.91
TCF Financial Corporation	Bank	80	7.02	10,009,988	4.90	10,009,988	5.09	10,009,988	4.91
Fifth Third Bancorp	Bank	81	7.11	9,336,066	4.57	9,336,066	4.75	9,336,066	4.58
Citizens Financial Group, Inc.	Bank	80	7.02	6,292,167	3.08	6,292,167	3.20	6,292,167	3.09
KeyCorp	Bank	20	1.75	2,062,255	1.01	2,062,255	1.05	2,062,255	1.01
Level One Bancorp, Inc.	Bank	15	1.32	1,798,401	0.88	1,798,401	0.92	1,798,401	0.88
Arbor Bancorp, Inc.	Bank	8	0.70	1,690,996	0.83	1,690,996	0.86	1,690,996	0.83
Canadian Imperial Bank of Commerce	Bank	1	0.09	1,633,332	0.80	1,633,332	0.83	1,633,332	0.80
First Merchants Corporation	Bank	21	1.84	1,248,801	0.61	1,248,801	0.64	1,248,801	0.61
Fentura Financial, Inc.	Bank	10	0.88	850,352	0.42	850,352	0.43	850,352	0.42
First State Financial Corporation	Bank	12	1.05	836,415	0.41	836,415	0.43	836,415	0.41
Old National Bancorp	Bank	9	0.79	801,907	0.39	801,907	0.41	801,907	0.39
ChoiceOne Financial Services, Inc.	Bank	13	1.14	657,673	0.32	657,673	0.33	657,673	0.32
Oxford Bank Corporation	Bank	8	0.70	601,083	0.29	601,083	0.31	601,083	0.29
Independent Bank Corporation	Bank	12	1.05	505,647	0.25	505,647	0.26	505,647	0.25
University Bancorp, Inc.	Bank	1	0.09	452,511	0.22	452,511	0.23	452,511	0.22
FNBH Bancorp, Inc.	Bank	9	0.79	450,443	0.22	450,443	0.23	450,443	0.22
Auto Club Insurance Association	Thrift	1	0.09	373,442	0.18	186,721	0.10	186,721	0.09
Northstar Financial Group, Inc.	Bank	6	0.53	370,232	0.18	370,232	0.19	370,232	0.18
Premier Financial Corp.	Bank	5	0.44	357,066	0.17	357,066	0.18	357,066	0.18
Eastern Michigan Financial Corporation	Bank	9	0.79	353,794	0.17	353,794	0.18	353,794	0.17
Tri-County Bancorp, Inc.	Bank	11	0.96	325,368	0.16	325,368	0.17	325,368	0.16
CSB Bancorp, Inc.	Bank	3	0.26	319,535	0.16	319,535	0.16	319,535	0.16
Keweenaw Financial Corporation	Bank	2	0.18	262,192	0.13	262,192	0.13	262,192	0.13
Waterford Bancorp, Inc.	Bank	2	0.18	229,511	0.11	229,511	0.12	229,511	0.11
Northern Trust Corporation	Bank	1	0.09	194,983	0.10	194,983	0.10	194,983	0.10

Depository Institutions and Market Share

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls		SBs, S&Ls	
						Weighted 50%	Share	Weighted 50%	Share
								2% Thrifts	100%
<u>Detroit, MI Fed Banking Market</u>									
First Independence Corporation	Bank	3	0.26	192,488	0.09	192,488	0.10	192,488	0.09
Sterling Bancorp, Inc.	Thrift	1	0.09	177,189	0.09	88,595	0.05	88,595	0.04
Dearborn Federal Savings Bank	Thrift	5	0.44	174,833	0.09	87,417	0.04	87,417	0.04
Huron Valley Bancorp, Inc.	Bank	3	0.26	172,705	0.08	172,705	0.09	172,705	0.08
Exchange State Bank Corp.	Bank	6	0.53	162,822	0.08	162,822	0.08	162,822	0.08
Mercantile Bank Corporation	Bank	1	0.09	112,143	0.05	112,143	0.06	112,143	0.06
Blissfield Bank Corporation	Bank	2	0.18	93,493	0.05	93,493	0.05	93,493	0.05
CNB Community Bancorp, Inc.	Bank	2	0.18	88,163	0.04	88,163	0.04	88,163	0.04
Mi Bancorp, Inc.	Bank	1	0.09	76,402	0.04	76,402	0.04	76,402	0.04
Mackinac Financial Corporation	Bank	1	0.09	49,232	0.02	49,232	0.03	49,232	0.02
Bank Michigan	Bank	2	0.18	46,623	0.02	46,623	0.02	46,623	0.02
Liberty Financial Services, Inc.	Bank	1	0.09	29,494	0.01	29,494	0.02	29,494	0.01
Eaton Federal Mutual Holding Company	Thrift	1	0.09	16,791	0.01	8,396	0.00	16,791	0.01
Beal Financial Corporation	Thrift	1	0.09	8,342	0.00	-	-	-	-
Harbor Springs Financial Corporation	Bank	1	0.09	1,278	0.00	1,278	0.00	1,278	0.00
Bank of New York Mellon Corporation	Bank	1	0.09	-	-	-	-	-	-
Horizon Bancorp, Inc.	Bank	1	0.09	-	-	-	-	-	-
M&T Bank Corporation	Bank	1	0.09	-	-	-	-	-	-
Morgan Stanley	Bank	1	0.09	-	-	-	-	-	-
Wells Fargo & Company	Bank	1	0.09	-	-	-	-	-	-
Total		1,140	100.00	204,133,765	100.00	196,515,788	100.00	203,761,681	100.00
Huntington Bancshares Incorporated	Bank	142	12.46	12,049,129	5.90	12,049,129	6.13	12,049,129	5.91
TCF Financial Corporation	Bank	80	7.02	10,009,988	4.90	10,009,988	5.09	10,009,988	4.91
Post Merger		222	19.47	22,059,117	10.81	22,059,117	11.23	22,059,117	10.83
Pre-merger HHI		824.3		1,452.5		1,526.5		1,457.7	
Change		174.8		57.9		62.5		58.1	
Post-merger HHI		999.2		1,510.4		1,589.0		1,515.8	

Depository Institutions and Market Share

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Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls		SBs, S&Ls	
						Weighted 50%	Share	Weighted 50%	Share
2% Thrifts 100%									
<u>Grand Rapids, MI Fed Banking Market</u>									
Fifth Third Bancorp	Bank	58	14.50	7,368,869	22.66	7,368,869	22.81	7,368,869	22.66
Huntington Bancshares Incorporated	Bank	57	14.25	3,722,575	11.45	3,722,575	11.52	3,722,575	11.45
TCF Financial Corporation	Bank	40	10.00	3,047,439	9.37	3,047,439	9.43	3,047,439	9.37
JPMorgan Chase & Co.	Bank	27	6.75	2,766,612	8.51	2,766,612	8.56	2,766,612	8.51
Macatawa Bank Corporation	Bank	29	7.25	2,125,132	6.54	2,125,132	6.58	2,125,132	6.54
Mercantile Bank Corporation	Bank	18	4.50	1,825,271	5.61	1,825,271	5.65	1,825,271	5.61
Independent Bank Corporation	Bank	22	5.50	1,691,294	5.20	1,691,294	5.23	1,691,294	5.20
Northpointe Bancshares, Inc.	Bank	1	0.25	1,518,305	4.67	1,518,305	4.70	1,518,305	4.67
PNC Financial Services Group, Inc.	Bank	27	6.75	1,487,994	4.58	1,487,994	4.61	1,487,994	4.58
Bank of America Corporation	Bank	8	2.00	1,108,551	3.41	1,108,551	3.43	1,108,551	3.41
ChoiceOne Financial Services, Inc.	Bank	18	4.50	901,946	2.77	901,946	2.79	901,946	2.77
Comerica Incorporated	Bank	15	3.75	836,465	2.57	836,465	2.59	836,465	2.57
United Bank Financial Corporation	Bank	12	3.00	643,340	1.98	643,340	1.99	643,340	1.98
West Michigan Community Bank	Bank	8	2.00	584,585	1.80	584,585	1.81	584,585	1.80
Flagstar Bancorp, Inc.	Thrift	10	2.50	392,112	1.21	196,056	0.61	392,112	1.21
Old National Bancorp	Bank	4	1.00	366,919	1.13	366,919	1.14	366,919	1.13
Grand River Commerce, Inc.	Bank	1	0.25	339,780	1.04	339,780	1.05	339,780	1.04
Isabella Bank Corporation	Bank	8	2.00	328,997	1.01	328,997	1.02	328,997	1.01
HCB Financial Corp.	Bank	5	1.25	276,296	0.85	276,296	0.86	276,296	0.85
Shelby Financial Corporation	Bank	8	2.00	256,023	0.79	256,023	0.79	256,023	0.79
First National Bancshares, Inc.	Bank	1	0.25	190,623	0.59	190,623	0.59	190,623	0.59
Union Financial Corporation	Bank	4	1.00	123,739	0.38	123,739	0.38	123,739	0.38
First National Bancorp, Inc.	Bank	2	0.50	114,297	0.35	114,297	0.35	114,297	0.35
Horizon Bancorp, Inc.	Bank	2	0.50	99,448	0.31	99,448	0.31	99,448	0.31
Sidney Bancorp.	Bank	2	0.50	78,153	0.24	78,153	0.24	78,153	0.24
Lake Financial Corporation	Bank	5	1.25	70,155	0.22	70,155	0.22	70,155	0.22
Commercial National Financial Corporation	Bank	2	0.50	69,368	0.21	69,368	0.21	69,368	0.21
Northern Trust Corporation	Bank	1	0.25	59,570	0.18	59,570	0.18	59,570	0.18
Harbor Springs Financial Corporation	Bank	1	0.25	43,777	0.13	43,777	0.14	43,777	0.13
West Shore Bank Corporation	Bank	1	0.25	37,722	0.12	37,722	0.12	37,722	0.12
Eaton Federal Mutual Holding Company	Thrift	1	0.25	24,562	0.08	12,281	0.04	24,562	0.08

Depository Institutions and Market Share

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Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls		SBs, S&Ls	
						Weighted 50%	Share	Weighted 50%	Share
								2% Thrifts	100%
<u>Grand Rapids, MI Fed Banking Market</u>									
Level One Bancorp, Inc.	Bank	1	0.25	18,604	0.06	18,604	0.06	18,604	0.06
Thrivent Trust Co.	Thrift	1	0.25	-	-	-	-	-	-
Total		400	100.00	32,518,523	100.00	32,310,186	100.00	32,518,523	100.00
Huntington Bancshares Incorporated	Bank	57	14.25	3,722,575	11.45	3,722,575	11.52	3,722,575	11.45
TCF Financial Corporation	Bank	<u>40</u>	<u>10.00</u>	<u>3,047,439</u>	<u>9.37</u>	<u>3,047,439</u>	<u>9.43</u>	<u>3,047,439</u>	<u>9.37</u>
Post Merger		97	24.25	6,770,014	20.82	6,770,014	20.95	6,770,014	20.82
Pre-merger HHI		779.8		988.9		1,000.6		988.9	
Change		285.0		214.6		217.3		214.6	
Post-merger HHI		1,064.8		1,203.5		1,218.0		1,203.5	

Depository Institutions and Market Share

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Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls		SBs, S&Ls	
						Weighted 50%	Share	Weighted 50%	Share
Kalamazoo-Battle Creek, MI Fed Banking Market									
PNC Financial Services Group, Inc.	Bank	10	12.66	1,243,669	23.45	1,243,669	23.70	1,243,669	23.45
Fifth Third Bancorp	Bank	12	15.19	1,005,532	18.96	1,005,532	19.16	1,005,532	18.96
TCF Financial Corporation	Bank	8	10.13	505,784	9.54	505,784	9.64	505,784	9.54
First National Bancorp, Inc.	Bank	3	3.80	503,495	9.49	503,495	9.59	503,495	9.49
Mercantile Bank Corporation	Bank	4	5.06	272,501	5.14	272,501	5.19	272,501	5.14
Comerica Incorporated	Bank	6	7.59	264,229	4.98	264,229	5.03	264,229	4.98
Old National Bancorp	Bank	3	3.80	254,985	4.81	254,985	4.86	254,985	4.81
JPMorgan Chase & Co.	Bank	2	2.53	242,695	4.58	242,695	4.62	242,695	4.58
Sturgis Bancorp, Inc.	Bank	7	8.86	187,079	3.53	187,079	3.56	187,079	3.53
Southern Michigan Bancorp, Inc.	Bank	5	6.33	183,029	3.45	183,029	3.49	183,029	3.45
Horizon Bancorp, Inc.	Bank	2	2.53	149,731	2.82	149,731	2.85	149,731	2.82
Huntington Bancshares Incorporated	Bank	6	7.59	140,243	2.64	140,243	2.67	140,243	2.64
Flagstar Bancorp, Inc.	Thrift	3	3.80	111,746	2.11	55,873	1.06	111,746	2.11
Kalamazoo County State Bank	Bank	3	3.80	99,032	1.87	99,032	1.89	99,032	1.87
1st Source Corporation	Bank	2	2.53	66,398	1.25	66,398	1.27	66,398	1.25
First State Bank of Decatur	Bank	1	1.27	42,198	0.80	42,198	0.80	42,198	0.80
Century Financial Corporation	Bank	2	2.53	31,653	0.60	31,653	0.60	31,653	0.60
Total		79	100.00	5,303,999	100.00	5,248,126	100.00	5,303,999	100.00
Huntington Bancshares Incorporated	Bank	6	7.59	140,243	2.64	140,243	2.67	140,243	2.64
TCF Financial Corporation	Bank	8	10.13	505,784	9.54	505,784	9.64	505,784	9.54
Post Merger		14	17.72	646,027	12.18	646,027	12.31	646,027	12.18
Pre-merger HHI		838.0		1,235.3		1,258.3		1,235.3	
Change		153.8		50.4		51.5		50.4	
Post-merger HHI		991.8		1,285.7		1,309.8		1,285.7	

Depository Institutions and Market Share

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Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls		SBs, S&Ls	
						Weighted 50%	Share	Weighted 50%	Share
Petoskey, MI Fed Banking Market									
JPMorgan Chase & Co.	Bank	3	6.98	320,861	16.61	320,861	16.61	320,861	16.61
CNB Corporation	Bank	9	20.93	288,777	14.95	288,777	14.95	288,777	14.95
TCF Financial Corporation	Bank	3	6.98	264,363	13.69	264,363	13.69	264,363	13.69
Huntington Bancshares Incorporated	Bank	5	11.63	217,258	11.25	217,258	11.25	217,258	11.25
Harbor Springs Financial Corporation	Bank	7	16.28	207,623	10.75	207,623	10.75	207,623	10.75
Fifth Third Bancorp	Bank	2	4.65	199,318	10.32	199,318	10.32	199,318	10.32
Charlevoix First Corporation	Bank	7	16.28	198,503	10.28	198,503	10.28	198,503	10.28
PNC Financial Services Group, Inc.	Bank	4	9.30	175,176	9.07	175,176	9.07	175,176	9.07
Mackinac Financial Corporation	Bank	2	4.65	40,657	2.10	40,657	2.10	40,657	2.10
Alden State Bank	Bank	1	2.33	18,978	0.98	18,978	0.98	18,978	0.98
Total		43	100.00	1,931,514	100.00	1,931,514	100.00	1,931,514	100.00
Huntington Bancshares Incorporated	Bank	5	11.63	217,258	11.25	217,258	11.25	217,258	11.25
TCF Financial Corporation	Bank	<u>3</u>	<u>6.98</u>	<u>264,363</u>	<u>13.69</u>	<u>264,363</u>	<u>13.69</u>	<u>264,363</u>	<u>13.69</u>
Post Merger		8	18.60	481,621	24.93	481,621	24.93	481,621	24.93
Pre-merger HHI		1,335.9		1,228.6		1,228.6		1,228.6	
Change		162.2		307.9		307.9		307.9	
Post-merger HHI		1,498.1		1,536.5		1,536.5		1,536.5	

Depository Institutions and Market Share

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						Weighted 50%	Share	Weighted 50%	Share
								2% Thrifts	100%
<u>Akron, OH Fed Banking Market</u>									
Huntington Bancshares Incorporated	Bank	35	21.74	4,688,817	31.58	4,688,817	32.36	4,688,817	31.94
JPMorgan Chase & Co.	Bank	16	9.94	2,394,119	16.12	2,394,119	16.52	2,394,119	16.31
PNC Financial Services Group, Inc.	Bank	19	11.80	2,051,974	13.82	2,051,974	14.16	2,051,974	13.98
KeyCorp	Bank	16	9.94	1,206,179	8.12	1,206,179	8.32	1,206,179	8.22
Fifth Third Bancorp	Bank	12	7.45	780,995	5.26	780,995	5.39	780,995	5.32
Citizens Financial Group, Inc.	Bank	12	7.45	565,957	3.81	565,957	3.91	565,957	3.86
New York Community Bancorp, Inc.	Bank	4	2.48	424,863	2.86	424,863	2.93	424,863	2.89
U.S. Bancorp	Bank	12	7.45	393,437	2.65	393,437	2.72	393,437	2.68
Portage Bancshares, Inc.	Bank	3	1.86	344,631	2.32	344,631	2.38	344,631	2.35
TFS Financial Corporation (MHC)	Thrift	2	1.24	338,753	2.28	169,377	1.17	169,377	1.15
Ohio Farmers Insurance Company	Thrift	2	1.24	336,424	2.27	168,212	1.16	336,424	2.29
CF Bankshares Inc.	Bank	1	0.62	327,229	2.20	327,229	2.26	327,229	2.23
Hometown Bancorp, Inc.	Bank	4	2.48	194,361	1.31	194,361	1.34	194,361	1.32
S&T Bancorp, Inc.	Bank	2	1.24	164,114	1.11	164,114	1.13	164,114	1.12
Premier Financial Corp.	Bank	2	1.24	105,486	0.71	105,486	0.73	105,486	0.72
Peoples Bancorp Inc.	Bank	4	2.48	101,688	0.68	101,688	0.70	101,688	0.69
Civista Bancshares, Inc.	Bank	1	0.62	79,684	0.54	79,684	0.55	79,684	0.54
First Commonwealth Financial Corporation	Bank	1	0.62	68,727	0.46	68,727	0.47	68,727	0.47
TCF Financial Corporation	Bank	1	0.62	56,323	0.38	56,323	0.39	56,323	0.38
Consumers Bancorp, Inc.	Bank	2	1.24	42,908	0.29	42,908	0.30	42,908	0.29
Wayne Savings Bancshares, Inc.	Bank	1	0.62	42,140	0.28	42,140	0.29	42,140	0.29
Apple Creek Banc Corp	Bank	2	1.24	36,960	0.25	36,960	0.26	36,960	0.25
Dollar Mutual Bancorp	Thrift	1	0.62	35,155	0.24	17,578	0.12	35,155	0.24
F.N.B. Corporation	Bank	1	0.62	22,600	0.15	22,600	0.16	22,600	0.15
Farmers National Banc Corp.	Bank	1	0.62	18,870	0.13	18,870	0.13	18,870	0.13
Community Independent Bancorp, Inc.	Bank	1	0.62	14,886	0.10	14,886	0.10	14,886	0.10
Northwest Bancshares, Inc.	Thrift	1	0.62	5,867	0.04	2,934	0.02	5,867	0.04
Woodforest Financial Group, Inc.	Bank	2	1.24	5,239	0.04	5,239	0.04	5,239	0.04
Total		161	100.00	14,848,386	100.00	14,490,287	100.00	14,679,010	100.00

Depository Institutions and Market Share

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						Weighted 50%	Share	Weighted 50%	Share
								2% Thrifts	100%
<u>Akron, OH Fed Banking Market</u>									
Huntington Bancshares Incorporated	Bank	34	21.12	4,688,817	31.58	4,688,817	32.36	4,688,817	31.94
TCF Financial Corporation	Bank	<u>1</u>	<u>0.62</u>	<u>56,323</u>	<u>0.38</u>	<u>56,323</u>	<u>0.39</u>	<u>56,323</u>	<u>0.38</u>
Post Merger		35	21.74	4,745,140	31.96	4,745,140	32.75	4,745,140	32.33
Pre-merger HHI		1,012.7		1,597.0		1,668.7		1,630.1	
Change		26.2		24.0		25.2		24.5	
Post-merger HHI		1,038.9		1,620.9		1,693.9		1,654.6	

Depository Institutions and Market Share

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Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls		SBs, S&Ls	
						Weighted 50%	Share	Weighted 50%	Share
Cleveland, OH Fed Banking Market									
KeyCorp	Bank	73	11.53	31,947,581	31.39	31,947,581	33.39	31,947,581	32.42
PNC Financial Services Group, Inc.	Bank	64	10.11	12,718,931	12.50	12,718,931	13.29	12,718,931	12.91
Huntington Bancshares Incorporated	Bank	106	16.75	12,671,121	12.45	12,671,121	13.24	12,671,121	12.86
Citizens Financial Group, Inc.	Bank	53	8.37	11,107,733	10.91	11,107,733	11.61	11,107,733	11.27
TFS Financial Corporation (MHC)	Thrift	19	3.00	6,206,963	6.10	3,103,482	3.24	3,103,482	3.15
Fifth Third Bancorp	Bank	54	8.53	5,923,227	5.82	5,923,227	6.19	5,923,227	6.01
JPMorgan Chase & Co.	Bank	48	7.58	5,820,378	5.72	5,820,378	6.08	5,820,378	5.91
U.S. Bancorp	Bank	50	7.90	3,055,010	3.00	3,055,010	3.19	3,055,010	3.10
Dollar Mutual Bancorp	Thrift	28	4.42	2,224,202	2.19	1,112,101	1.16	2,224,202	2.26
New York Community Bancorp, Inc.	Bank	24	3.79	2,073,794	2.04	2,073,794	2.17	2,073,794	2.10
First Mutual Holding Co.	Thrift	19	3.00	1,612,703	1.58	806,352	0.84	1,612,703	1.64
F.N.B. Corporation	Bank	18	2.84	1,113,056	1.09	1,113,056	1.16	1,113,056	1.13
Northwest Bancshares, Inc.	Thrift	18	2.84	949,771	0.93	474,886	0.50	949,771	0.96
Middlefield Banc Corp.	Bank	9	1.42	931,613	0.92	931,613	0.97	931,613	0.95
Ohio Farmers Insurance Company	Thrift	3	0.47	914,924	0.90	457,462	0.48	914,924	0.93
TCF Financial Corporation	Bank	8	1.26	687,997	0.68	687,997	0.72	687,997	0.70
First Federal Savings and Loan Association of	Thrift	4	0.63	263,684	0.26	131,842	0.14	131,842	0.13
Premier Financial Corp.	Bank	4	0.63	233,583	0.23	233,583	0.24	233,583	0.24
Farmers Savings Bank	Bank	2	0.32	217,032	0.21	217,032	0.23	217,032	0.22
Farmers National Banc Corp.	Bank	3	0.47	182,907	0.18	182,907	0.19	182,907	0.19
CNB Financial Corporation	Bank	1	0.16	177,664	0.17	177,664	0.19	177,664	0.18
Buckeye Bancshares, Inc.	Bank	1	0.16	177,208	0.17	177,208	0.19	177,208	0.18
Independence BancCorp	Bank	1	0.16	160,841	0.16	160,841	0.17	160,841	0.16
Peoples Bancorp Inc.	Bank	1	0.16	159,709	0.16	159,709	0.17	159,709	0.16
Cortland Bancorp	Bank	4	0.63	81,471	0.08	81,471	0.09	81,471	0.08
Northern Trust Corporation	Bank	1	0.16	40,782	0.04	40,782	0.04	40,782	0.04
Wayne Savings Bancshares, Inc.	Bank	1	0.16	30,023	0.03	30,023	0.03	30,023	0.03
Andover Bancorp, Inc.	Bank	1	0.16	25,785	0.03	25,785	0.03	25,785	0.03
Civista Bancshares, Inc.	Bank	1	0.16	24,278	0.02	24,278	0.03	24,278	0.02
Pioneer Savings Bank	Thrift	1	0.16	24,071	0.02	12,036	0.01	12,036	0.01
Woodforest Financial Group, Inc.	Bank	6	0.95	20,311	0.02	20,311	0.02	20,311	0.02

Depository Institutions and Market Share

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls Weighted 50%	Share	SBs, S&Ls 2% Thrifts 100%	Share
<u>Cleveland, OH Fed Banking Market</u>									
Bank of America Corporation	Bank	3	0.47	3,438	0.00	3,438	0.00	3,438	0.00
Credit First National Association	Bank	1	0.16	500	0.00	-	-	-	-
Beal Financial Corporation	Thrift	1	0.16	1	0.00	1	0.00	1	0.00
Bank of New York Mellon Corporation	Bank	1	0.16	-	-	-	-	-	-
CF Bankshares Inc.	Bank	1	0.16	-	-	-	-	-	-
Total		633	100.00	101,782,292	100.00	95,683,633	100.00	98,534,433	100.00
Huntington Bancshares Incorporated	Bank	106	16.75	12,671,121	12.45	12,671,121	13.24	12,671,121	12.86
TCF Financial Corporation	Bank	9	1.42	687,997	0.68	687,997	0.72	687,997	0.70
Post Merger		115	18.17	13,359,118	13.13	13,359,118	13.96	13,359,118	13.56
Pre-merger HHI		853.4		1,544.1		1,708.0		1,617.8	
Change		47.6		16.8		19.0		18.0	
Post-merger HHI		901.0		1,561.0		1,727.1		1,635.8	

Depository Institutions and Market Share

Deposits as of June 30, 2020 (\$000)

Ownership updated for completed and pending transactions to November 11, 2020

Company	Type	Branches	Share	Total Deposits	Share	SBs, S&Ls		SBs, S&Ls	
						Weighted 50%	Share	Weighted 50%	Share
								2% Thrifts	100%
Youngstown-Warren, OH Fed Banking Market									
Huntington Bancshares Incorporated	Bank	33	22.45	2,820,728	24.67	2,820,728	24.85	2,820,728	24.78
Premier Financial Corp.	Bank	20	13.61	1,867,795	16.34	1,867,795	16.45	1,867,795	16.41
Farmers National Banc Corp.	Bank	19	12.93	1,614,121	14.12	1,614,121	14.22	1,614,121	14.18
JPMorgan Chase & Co.	Bank	13	8.84	1,254,067	10.97	1,254,067	11.05	1,254,067	11.02
PNC Financial Services Group, Inc.	Bank	12	8.16	1,104,344	9.66	1,104,344	9.73	1,104,344	9.70
TCF Financial Corporation	Bank	15	10.20	811,213	7.09	811,213	7.15	811,213	7.13
Cortland Bancorp	Bank	8	5.44	518,318	4.53	518,318	4.57	518,318	4.55
F.N.B. Corporation	Bank	6	4.08	504,236	4.41	504,236	4.44	504,236	4.43
KeyCorp	Bank	4	2.72	217,758	1.90	217,758	1.92	217,758	1.91
Citizens Financial Group, Inc.	Bank	3	2.04	198,321	1.73	198,321	1.75	198,321	1.74
Consumers Bancorp, Inc.	Bank	3	2.04	133,561	1.17	133,561	1.18	133,561	1.17
CF Bankshares Inc.	Bank	2	1.36	103,889	0.91	103,889	0.92	103,889	0.91
Hancock County Savings Bank, FSB	Thrift	1	0.68	102,301	0.89	51,151	0.45	51,151	0.45
Middlefield Banc Corp.	Bank	1	0.68	64,103	0.56	64,103	0.56	64,103	0.56
First Niles Financial, Inc.	Thrift	1	0.68	60,182	0.53	30,091	0.27	60,182	0.53
U.S. Bancorp	Bank	1	0.68	29,395	0.26	29,395	0.26	29,395	0.26
Emclair Financial Corp	Bank	1	0.68	15,535	0.14	15,535	0.14	15,535	0.14
Woodforest Financial Group, Inc.	Bank	4	2.72	13,855	0.12	13,855	0.12	13,855	0.12
Total		147	100.00	11,433,722	100.00	11,352,481	100.00	11,382,572	100.00
Huntington Bancshares Incorporated	Bank	33	22.45	2,820,728	24.67	2,820,728	24.85	2,820,728	24.78
TCF Financial Corporation	Bank	15	10.20	811,213	7.09	811,213	7.15	811,213	7.13
Post Merger		48	32.65	3,631,941	31.77	3,631,941	31.99	3,631,941	31.91
Pre-merger HHI		1,178.7		1,389.0		1,408.2		1,400.9	
Change		458.1		350.1		355.1		353.2	
Post-merger HHI		1,636.8		1,739.1		1,763.2		1,754.1	