

FEDERAL RESERVE SYSTEM

Fleur Capital Corporation
Simmesport, Louisiana

Order Approving the Formation of a Bank Holding Company

Fleur Capital Corporation (“Fleur”), Simmesport, Louisiana, has requested the Board’s approval under section 3 of the Bank Holding Company Act (“BHC Act”)¹ to become a bank holding company by acquiring Simmesport State Bank (“Simmesport Bank”), Simmesport, Louisiana, a state nonmember bank.²

Notice of the proposal, affording interested persons an opportunity to submit comments, has been published (91 *Federal Register* 35985 (June 15, 2026)), in accordance with the Board’s Rules of Procedure.³ The time for submitting comments has expired, and the Board received three adverse comments on the proposal. The Board has considered the proposal and the comments received in light of the factors set forth in section 3 of the BHC Act.

Simmesport Bank, with consolidated assets of approximately \$198.5 million, is the 2,874th largest insured depository organization in the United States.⁴ Simmesport Bank controls approximately \$173.0 million in deposits, which

¹ 12 U.S.C. § 1841 *et seq.*

² 12 U.S.C. § 1842(a)(1). Fleur is a Louisiana corporation that currently does not have material operations. Simmesport Bank does not have a holding company. Fleur previously applied to the Board to acquire Simmesport Bank in 2025. That application was approved by the Federal Reserve Bank of Atlanta under authority delegated by the Board on January 21, 2026. However, the parties subsequently substantively amended the proposal, resulting in Fleur’s submission of the present application.

³ 12 CFR 262.3(i).

⁴ Consolidated asset and national ranking data are as of June 30, 2026.

represent less than 1 percent of the total amount of deposits of insured depository institutions in the United States.⁵ Simmesport Bank operates only in Louisiana.

Competitive Considerations

Section 3 of the BHC Act prohibits the Board from approving a proposal that would result in a monopoly or would be in furtherance of an attempt to monopolize the business of banking in any relevant market.⁶ The BHC Act also prohibits the Board from approving a proposal that would substantially lessen competition or tend to create a monopoly in any banking market, unless the anticompetitive effects of the proposal are clearly outweighed in the public interest by the probable effect of the proposal in meeting the convenience and needs of the communities to be served.⁷

Fleur does not control any depository institutions and was formed for purposes of this transaction. Fleur would control only Simmesport Bank following the proposed transaction, and the proposal does not involve a merger or an acquisition that would result in a monopoly or elimination of a competitor in any relevant market. The U.S. Department of Justice conducted a review of the potential competitive effects of the proposal and has advised the Board that it did not conclude that the proposal would have a significantly adverse effect on competition. In addition, the appropriate banking agencies have been afforded an opportunity to comment and have not objected to the proposal.

Based on all the facts of record, the Board concludes that consummation of the proposal would not have a significantly adverse effect on competition or on the concentration of resources in any relevant banking market. Accordingly, the Board determines that competitive considerations are consistent with approval.

⁵ Consolidated national deposit and market share data are as of June 30, 2026. In this context, insured depository institutions include commercial banks, savings associations, and savings banks.

⁶ 12 U.S.C. § 1842(c)(1)(A).

⁷ 12 U.S.C. § 1842(c)(1)(B).

Financial, Managerial, and Other Supervisory Considerations

In reviewing a proposal under section 3 of the BHC Act, the Board considers the financial and managerial resources and the future prospects of the institutions involved, the effectiveness of the institutions in combatting money laundering, and any public comments on the proposal.⁸ In its evaluation of financial factors, the Board reviews information regarding the financial condition of the organizations involved on both parent-only and consolidated bases, as well as information regarding the financial condition of the subsidiary depository institutions and the organizations' significant nonbanking operations. In this evaluation, the Board considers a variety of public and supervisory information regarding capital adequacy, asset quality, liquidity, and earnings performance, as well as any public comments on the proposal. The Board evaluates the financial condition of the combined organization, including its capital position, asset quality, liquidity, earnings prospects, and the impact of the proposed funding of the transaction. The Board also considers the ability of the organization to absorb the costs of the proposal and to complete the proposed integration of the operations of the institutions effectively. In assessing financial factors, the Board considers capital adequacy to be especially important. The Board considers the future prospects of the organizations involved in the proposal in light of their financial and managerial resources and the proposed business plan.

The Board received three comments objecting to the proposal, all from the same commenter. The commenter asserted that Fleur has demonstrated an inability to raise sufficient funds to purchase Simmesport Bank and would continue to lack sufficient funds in the future. The commenter alleged that various changes made to the transaction agreement between Fleur and Simmesport Bank demonstrate that Fleur lacked enough

⁸ 12 U.S.C. § 1842(c)(2), (5), and (6). Where applicable, the Board also considers any timely substantive comments on the proposal and, in its discretion, may consider any untimely substantive comments on the proposal.

money to pay Simmesport Bank's shareholders in cash.⁹ The commenter alleged that the transaction agreement involves financial risks, including to the future earnings, dividend capacity, and potential value of the bank, and also potentially may have an adverse effect on the value of Fleur's common stock going forward. The commenter also alleged that representatives of Fleur have participated actively in the everyday operations of Simmesport Bank, including by making certain management decisions and participating directly in meetings of Simmesport Bank's board, prior to receipt of required regulatory approvals. The commenter further alleged that Fleur had taken intentional steps to cause a devaluation of Simmesport Bank's shares so Fleur could pay for the transaction with less cash before the deal closed.¹⁰

⁹ The commenter alleged that Fleur has extended the transaction date several times, and that an amendment to the transaction agreement required Simmesport Bank shareholders to receive more common stock of Fleur as consideration than originally negotiated, rather than cash. As discussed *infra*, the agreement and amendment were subject to shareholder approval.

¹⁰ The commenter asserted that, in part due to these efforts, Simmesport Bank's financial condition declined after the proposed transaction with Fleur was originally negotiated.

The commenter, a former board member and current shareholder of Simmesport Bank who dissented from the proposed transaction, also raised several other arguments relating to the fairness of the transaction from the perspective of a dissenting shareholder. These assertions included that the original transaction agreement negotiated by the parties should not have been amended; subsequent amendments to the agreement were made to accommodate Fleur and made the deal worse for Simmesport Bank shareholders; restrictions placed on Fleur stock to be received by Simmesport Bank shareholders were not fair to those shareholders; Simmesport Bank directors had not performed adequate due diligence on behalf of Simmesport Bank's shareholders; Fleur will not have any local Simmesport residents on its board; and the commenter was removed from Simmesport Bank's board in violation of its charter.

The Board notes that the courts have concluded that the limited jurisdiction to review applications under a banking statute does not authorize the Board to consider matters relating only to corporate governance and the proper compensation of shareholders. *See Western Bancshares, Inc. v. Board of Governors*, 480 F.2d 749 (10th Cir. 1973); *Juniata Valley Financial Corp.*, 92 Federal Reserve Bulletin C171, C173 n.15 (August 2006). These matters may involve state and federal securities laws and state

In response to the comments, Fleur asserts that the allegations reflect the commentator's individual complaints about the proposed transaction and are not relevant to Fleur's application. Fleur asserts that it has not sought and does not seek to devalue Simmesport Bank, noting that doing so would create risks to Simmesport Bank and would be contrary to Fleur's objective to grow the bank in accordance with its proposed business plan. Fleur represents that it has raised the capital necessary to pay the cash consideration required under the terms of the transaction agreement, and that Simmesport Bank's shareholders approved the transaction well in excess of the minimum requirement of approval among outstanding shares, even after the original agreement was modified to change the calculation of the cash and share consideration to be paid by Fleur to the Simmesport Bank shareholders.

Fleur further notes that, pursuant to the terms of the transaction agreement between Fleur and Simmesport Bank, Simmesport Bank retained an independent third-party consultant to assist the bank in administering its processes, procedures, and daily operations. Fleur represents that this consultant helped Simmesport Bank strengthen its underwriting procedures and better understand its lending risk. Fleur further represents that no employees, affiliates, or agents of Fleur have been employed by Simmesport Bank in any capacity; that no employees, affiliates, or agents of Fleur have influenced or directed policies at Simmesport Bank, nor attempted to do so; and that Fleur's chief executive officer has attended Simmesport Bank's board and committee meetings only as an observer, as permitted under the transaction agreement.

On consummation of the proposal, Fleur would be in compliance with relevant capital standards. In addition, Simmesport Bank is well capitalized. The proposed transaction is structured as a share and cash exchange.¹¹ The capital, asset

corporate law that may be raised before a court with the authority to provide shareholders with adequate relief, if appropriate.

¹¹ To effect the transaction, Fleur would acquire 100 percent of the issued and outstanding capital stock of Simmesport Bank in exchange for both cash consideration and shares of Fleur. Fleur has the financial resources to effect the proposed transaction.

quality, earnings, and liquidity of Simmesport Bank are consistent with approval, and Fleur appears to have adequate resources to absorb the related costs of the proposal. In addition, the future prospects of the institutions are considered consistent with approval.

The Board also has considered the managerial resources of the organizations involved. The Board has reviewed the examination records and other supervisory information concerning Simmesport Bank, including assessments of its management, risk-management systems, and operations. In addition, the Board has considered information provided by Fleur; the Board's supervisory experiences and those of other relevant bank supervisory agencies with the organizations; Simmesport Bank's records of compliance with applicable banking, consumer protection, and anti-money-laundering laws; and the public comments on the proposal.

Simmesport Bank is considered to be well managed. The combined organization's proposed directors and senior executive officers have knowledge of and experience in the banking and financial services sectors. Fleur would adopt the risk-management program of Simmesport Bank, which appears consistent with approval.

The Board also has considered Fleur's plans for implementing the proposal. Fleur has conducted comprehensive due diligence and is devoting sufficient financial and other resources to address all aspects of the post-acquisition process for this proposal. In addition, Fleur's management has the experience and resources to operate the resulting organization in a safe and sound manner.

Based on all the facts of record, including Simmesport Bank's supervisory record, managerial and operational resources, and Fleur's plans for operating the organization after consummation, the Board determines that considerations relating to the financial and managerial resources and the future prospects of the organizations involved in the proposal, as well as the records of effectiveness of Simmesport Bank in combatting money-laundering activities, are consistent with approval.

Convenience and Needs Considerations

In acting on a proposal under section 3 of the BHC Act, the Board considers the effects of the proposal on the convenience and needs of the communities to

be served.¹² In evaluating whether the proposal satisfies the convenience and needs statutory factor, the Board considers the impact that the proposal will or is likely to have on the communities served by the combined organization. The Board reviews a variety of information to determine whether the relevant institutions' records demonstrate a history of helping to meet the needs of their customers and communities. The Board also reviews the combined institution's post-consummation plans and the expected impact of those plans on the communities served by the combined institution, including on low- and moderate-income ("LMI") individuals and communities. The Board considers whether the relevant institutions are helping to meet the credit needs of the communities they serve and are providing access to banking products and services that meet the needs of customers and communities, including the potential impact of branch closures, consolidations, and relocations on that access. In addition, the Board reviews the records of the relevant depository institutions under the Community Reinvestment Act of 1977 ("CRA").¹³ The Board strongly encourages insured depository institutions to help meet the credit needs of the local communities in which they operate, consistent with the institutions' safe and sound operation and their obligations under the CRA.¹⁴

In addition, the Board considers the banks' overall compliance records and recent fair lending examinations. Fair lending laws require all lending institutions to provide applicants with equal access to credit, regardless of their race, ethnicity, gender, or certain other characteristics. The Board also considers assessments of other relevant supervisors, the supervisory views of examiners, other supervisory information, information provided by the applicant, and public comments on the proposal. The Board also may consider the acquiring institution's business model and intended marketing and outreach, the combined organization's plans after consummation, and any other information the Board deems relevant.

¹² 12 U.S.C. § 1842(c)(2).

¹³ 12 U.S.C. § 2901 *et seq.*

¹⁴ *See* 12 U.S.C. § 2901(b).

In assessing the convenience and needs factor in this case, the Board has considered all the facts of record, including reports of examination of the CRA performance of Simmesport Bank, the fair lending and compliance records of the bank, the supervisory views of the Federal Deposit Insurance Corporation (“FDIC”), confidential supervisory information, and information provided by Fleur.

Businesses of the Involved Institution

Simmesport Bank operates two full-service branch offices in Louisiana. The bank’s primary focus is residential real estate and consumer lending, with products including home mortgage loans, commercial loans, consumer loans, checking accounts, savings accounts, and certificates of deposit.

Record of Performance under the CRA

In evaluating the CRA performance of the involved institutions, the Board generally considers each institution’s most recent CRA evaluation and the supervisory views of the relevant federal supervisor, which in this case is the FDIC with respect to Simmesport Bank.¹⁵ In addition, the Board considers information provided by the applicant and any public commenters.

The CRA requires that the appropriate federal financial supervisor for a depository institution prepare a written evaluation of the institution’s record of helping to meet the credit needs of its entire community, including LMI neighborhoods.¹⁶ An institution’s most recent CRA performance evaluation is a particularly important consideration in the applications process because it represents a detailed, on-site evaluation by the institution’s primary federal supervisor of the institution’s overall record of lending in its communities.

In general, federal financial supervisors apply a lending test (“Lending Test”) to evaluate the performance of a small bank, such as Simmesport Bank, in helping

¹⁵ See Interagency Questions and Answers Regarding Community Reinvestment, 81 *Federal Register* 48506, 48548 (July 25, 2016).

¹⁶ 12 U.S.C. § 2906.

to meet the credit needs of the communities it serves. The Lending Test specifically evaluates an institution's lending-related activities to determine whether the institution is helping to meet the credit needs of individuals and geographies of all income levels. As part of the Lending Test, examiners review and analyze an institution's data reported under the Home Mortgage Disclosure Act of 1975 ("HMDA"),¹⁷ in addition to other reports generated by the institution, to assess an institution's lending activities with respect to borrowers and geographies of different income levels. The institution's lending performance is evaluated based on the institution's (1) loan-to-deposit ratio and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments; (2) percentage of loans and, as appropriate, other lending-related activities located in the bank's assessment areas ("AAs"); (3) record of lending to, and, as appropriate, engaging in other lending-related activities for, borrowers of different income levels and businesses and farms of different sizes; (4) geographic distribution of loans; and (5) record of taking action, if warranted, in response to written complaints about the institution's performance in helping to meet credit needs in the bank's AAs.

CRA Performance of Simmesport Bank

Simmesport Bank was assigned an overall rating of "Satisfactory" at its most recent CRA performance evaluation by the FDIC, as of February 20, 2025 ("Simmesport Bank Evaluation").¹⁸ Simmesport Bank received a "Satisfactory" rating for the Lending Test.¹⁹

¹⁷ 12 U.S.C. 2801 *et seq.*

¹⁸ The Simmesport Bank Evaluation was conducted using the Interagency Small Institution CRA Examination Procedures. Examiners reviewed home mortgage and consumer loan data for loans originated in 2024.

¹⁹ The Simmesport Bank Evaluation involved a full-scope review of the bank's activities in the bank's sole AA, the Louisiana Non-Metropolitan Statistical Area AA, which consists of Avoyelles Parish, a portion of St. Landry Parish, and a portion of Pointe Coupée Parish.

With respect to the Lending Test, examiners found that Simmesport Bank's loan-to-deposit ratio was more than reasonable given the bank's size, financial condition, and AA credit needs. Examiners found that a majority of home mortgage and consumer loans, by number and dollar amount, were made in the bank's AA. Examiners noted that, although the distribution of loans reflected poor geographic dispersion throughout the AA, the distribution of borrowers reflected reasonable penetration among individuals of different income levels given the demographics of the AA. Examiners observed that the bank did not receive any CRA-related complaints since the previous evaluation.

Additional Supervisory Views

In its review of the proposal, the Board consulted with and considered the views of the FDIC as the primary federal supervisor of Simmesport Bank. The Board also considered the results of the most recent consumer compliance examination of Simmesport Bank, which included reviews of the bank's compliance-management program and its compliance with consumer protection laws and regulations, including fair lending.

The Board has taken this information, as well as the CRA performance records of Simmesport Bank, into account in evaluating the proposal, including in considering whether Fleur has the experience and resources to ensure that the combined organization would help meet the credit needs of the communities to be served following consummation of the proposed transaction.

Additional Convenience and Needs Considerations

The Board also considers other potential effects of the proposal on the convenience and needs of the communities to be served. This includes, for example, the combined organization's business model and intended marketing and outreach and existing and anticipated product and service offerings in the communities to be served by the organization, any additional plans the combined organization has for meeting the needs of its communities following consummation, and any other information the Board deems relevant.

Fleur represents that Simmesport Bank's CRA policies immediately after consummation of the proposed transaction will be the same as policies currently in place, and that the bank's CRA AA will remain the same. Fleur also represents that the combined organization would continue to offer the same programs, products, and services that the bank currently offers and that it will continue to engage in activities that the bank currently engages in to meet the anticipated needs of the communities it serves.

Branch Closures

Physical branches remain important to many banking organizations' ability to meet the credit needs of the local communities in which they operate. When banking organizations combine, whether through acquisitions, mergers, or consolidations, the combination has the potential to increase or to reduce consumers' and small businesses' access to available credit and other banking services. Although the Board does not have the authority to prohibit a bank from closing a branch, the Board focuses on the impact of expected branch closures, consolidations, and relocations that occur in connection with a proposal on the convenience and needs of the communities to be served by the resulting institution. In particular, the Board considers the effect of any closures, consolidations, or relocations on LMI communities.

Federal banking law provides a specific mechanism for addressing branch closings, including requiring that a bank provide notice to the public and the appropriate federal supervisory agency before a branch is closed.²⁰ In addition, the federal banking supervisory agencies evaluate a bank's record of opening and closing branches, particularly branches located in LMI geographies or primarily serving LMI individuals, as part of the CRA examination process.²¹

Fleur represents that it does not currently anticipate any branch closures or consolidations in connection with the proposed transaction.

²⁰ See 12 U.S.C. § 1831r-1. The bank also is required to provide reasons and other supporting data for the closure, consistent with the institution's written policy for branch closings.

²¹ See, e.g., 12 CFR 228.24(d)(2) (2023).

Conclusion on Convenience and Needs Considerations

The Board has considered all the facts of record, including the record of Simmesport Bank under the CRA, the institutions' records of compliance with fair lending and other consumer protection laws, supervisory information, information provided by Fleur, and other potential effects of the proposal on the convenience and needs of the communities to be served. Based on that review, the Board determines that the convenience and needs factor is consistent with approval.

Financial Stability Considerations

Section 3 of the BHC Act requires the Board to consider “the extent to which a proposed acquisition, merger, or consolidation would result in greater or more concentrated risks to the stability of the United States banking or financial system.”²² To assess the likely effect of a proposed transaction on the stability of the United States banking or financial system, the Board considers a variety of metrics that capture the systemic “footprint” of the resulting firm and the incremental effect of the transaction on the systemic footprint of the acquiring firm. These metrics include measures of the size of the resulting firm, the availability of substitute providers for any critical products and services offered by the resulting firm, the interconnectedness of the resulting firm with the banking or financial system, the extent to which the resulting firm contributes to the complexity of the financial system, and the extent of the cross-border activities of the resulting firm.²³ These categories are not exhaustive, and additional categories could inform the Board’s decision.

In addition to these quantitative measures, the Board considers qualitative factors, such as the opacity and complexity of an institution’s internal organization, that are indicative of the relative degree of difficulty of resolving the resulting firm. A

²² 12 U.S.C. § 1842(c)(7).

²³ Many of the metrics considered by the Board measure an institution’s activities relative to the United States financial system.

financial institution that can be resolved in an orderly manner is less likely to inflict material damage on the broader economy.²⁴

The Board's experience has shown that proposals involving an acquisition of less than \$10 billion in total assets, or that result in a firm with less than \$100 billion in total assets, generally are not likely to pose systemic risks. Accordingly, the Board presumes that a proposal does not raise material financial stability concerns if the assets involved fall below either of these size thresholds, absent evidence that the transaction would result in a significant increase in interconnectedness, complexity, cross-border activities, or other risk factors.²⁵

In this case, the Board has considered information relevant to risks to the stability of the United States banking or financial system. The proposal involves a target with less than \$10 billion in total assets and a pro forma organization with less than \$100 billion in total assets. Simmesport Bank is predominantly engaged in retail and commercial banking activities.²⁶ The pro forma organization would not exhibit an organizational structure, complex interrelationships, or unique characteristics that would complicate resolution of the firm in the event of financial distress. In addition, the organization would not be a critical services provider or so interconnected with other firms or the markets that it would pose a significant risk to the financial system in the event of financial distress.

²⁴ For further discussion of the financial stability standard, see *Capital One Financial Corporation*, FRB Order No. 2012-2 (Feb. 14, 2012).

²⁵ See *People's United Financial, Inc.*, FRB Order No. 2017-08 at 25–26 (March 16, 2017). Notwithstanding this presumption, the Board has the authority to review the financial stability implications of any proposal. For example, an acquisition involving a global systemically important bank could warrant a financial stability review by the Board, regardless of the size of the acquisition.

²⁶ Simmesport Bank offers a range of retail and commercial banking products and services. Simmesport Bank has, and as a result of the proposal would continue to have, a small market share in these products and services on a nationwide basis.

In light of all the facts and circumstances, this transaction would not appear to result in meaningfully greater or more concentrated risks to the stability of the United States banking or financial system. Based on these and all other facts of record, the Board determines that considerations relating to financial stability are consistent with approval.

Conclusion

Based on the foregoing and all the facts of record, the Board determines that the proposal should be, and hereby is, approved. In reaching its conclusion, the Board has considered all the facts of record in light of the factors that it is required to consider under the BHC Act and other applicable statutes. The Board's approval is specifically conditioned on compliance by Fleur with all the conditions imposed in this order and on any commitments made to the Board in connection with the proposal. The Board's approval also is conditioned on receipt by Fleur of all required regulatory approvals. For purposes of this action, the conditions and commitments are deemed to be conditions imposed in writing by the Board in connection with its findings and decision herein and, as such, may be enforced in proceedings under applicable law.²⁷

The proposal may not be consummated before the fifteenth calendar day after the effective date of this order or later than three months thereafter, unless such

²⁷ See 12 U.S.C. § 1818(b)(1).

period is extended for good cause by the Board or the Federal Reserve Bank of Atlanta, acting under delegated authority.

By order of the Board of Governors,²⁸ effective October 2, 2026.

(Signed) Michele Taylor Fennell

Michele Taylor Fennell
Associate Secretary of the Board

²⁸ Voting for this action: Chairman Warsh, Vice Chair Jefferson, Vice Chair for Supervision Bowman, and Governors Powell, Waller, Cook, and Barr.