INSTRUCTIONS FOR PREPARATION OF

Application to Become a Savings and Loan Holding Company or to acquire a Savings Association or Savings and Loan Holding Company

FR LL-10(e)

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Who May Use This Form

This form ~~should~~ must be used for applications filed with theFederal Reserve System (the "Federal Reserve") undersection l0(e) of Home Owners' Loan Act ("HOLA"), 12 U.S.C. 1461 *et. seq.*; and 12 CFR 238.11(a) through (~~e~~f) that involve the formation of a savings and loan holding company, acquisition of control of a savings association, acquisition of savings association or savings and loan holding company securities if the acquisition results in the company's control of more than 5 percent of the outstanding shares of any class of voting security of the savings association or savings and loan holding company; acquisition of all or substantially all of the assets of a savings association or a savings and loan holding company; or merger of savings and loan holding companies (unless exempt under 12 CFR 238.12). [For a transaction involving a reorganization of a newly-formed company under 12 CFR 238.12(a)(2), the firm ~~should~~must only provide the requested information under the Proposed Transaction and Financial and Managerial Information sections (questions 1-16) in these instructions. No publication is required for a filing under 12 CFR 238.12(a)(2).]

In some cases, a savings and loan holding company acquisition may result in a person or group of persons acquiring control of a savings and loan holding company for purposes of the Change in Bank Control Act ("CIBC Act"), 12 U.S.C. 1817(j). In such cases, the notice requirements under the CIBC Act may be fulfilled by providing, as part of the application under section 238.14 of Regulation LL, information required under paragraph (6)(A) of the CIBC Act, 12 U.S.C. 1817(j)(6)(A), as well as any financial or other information required by the Reserve Bank under section 238.31 of Regulation LL. A person or group of persons that chooses not to provide this information as part of the application under section 238.14 of Regulation LL must separately comply with the prior notice requirements of the CIBC Act.

on the Board's public website or from any Reserve Bank. Additional filing information is also available on the Board's public website.[1] An applicant may submit a pre-filing before filing an application.[2]

Inquiries regarding the preparation and filing of applications should be directed to the Reserve Bank of the Federal Reserve district in which the company's banking operations are principally conducted, as measured by total domestic deposits in its subsidiary savings association on the date it became, or will become, a savings and loan holding company (the "appropriate Reserve Bank"). Applicants are encouraged to contact Federal Reserve staff as soon as possible for assistance in identifying the specific type of information that ~~should~~ must be provided in the application (particularly information related to convenience and needs or com-petitive considerations, including management officialinterlocks subject to Regulation LL (12 CFR Part 238,subpart J)) and to determine whether an examination of the entity to be acquired will be required in connec- tion with the proposed transaction.

The application is to be filed by submitting the information requested in this form to the appropriate Reserve Bank. Applicants are strongly encouraged to submit their applications electronically through the Federal Reserve System's web-based application E-Apps.[3] Additional information on E-Apps may be found on the Board's public website.[4] ~~Alternative formats to this form, if used, must provide all requested information.~~ In order to be considered properly filed in accordance with the requirements of HOLA, the appli-

Preparation of the Application

An applicant should consult the Board's Regulation LL (12 CFR Part 238), a copy of which is available

1. See https://www.federalreserve.gov/supervisionreg/afi/slhcfilings.htm
2. See SR letter 12-12 on the Board's public website.
3. The application may alternatively be submitted in paper form.
4. See https://www.federalreserve.gov/supervisionreg/afi/eapps_contacts.htm

cation must be substantially complete and responsive to each item of information requested (including an indication that the answer is "not applicable" or "none" if such is the case).

The appropriate Reserve Bank will review the submitted application to determine if it is substantially complete. If the application is considered complete, an acknowledgement letter will be sent indicating the date that the application has been formally accepted for processing. If not considered complete, the application will be returned to the applicant. As necessary to complete the record, a request for additional information may be sent to the contact person named in the application. Under certain circumstances, name check and financial information related to individuals involved in a proposed transaction may be required. Such information for individuals ~~should~~ must be submitted on the Interagency Biographical and Financial Report (FR 2081c; OMB No.7100-0134), and may be submitted in advance of the application. Contact the appropriate Reserve Bank for further information.

If any information initially furnished in the application changes significantly during processing of the application, these changes should be communicated promptly to the appropriate Reserve Bank.

Financial Holding Companies

If the applicant seeks to engage in activities permissible for a financial holding company (for example, by indirectly acquiring an entity engaged in such activities) it must submit the necessary written declaration to be treated as a financial holding company as part of the FR LL-10(e) filing. The declaration must conform to the requirements in Subpart G of Regulation LL. The applicant should contact the appropriate Reserve Bank and visit the Board's public website for further information.[5]

If the applicant's election to be treated as a financial holding company involves the acquisition of an entity that is not well capitalized or well managed, the applicant must contact the appropriate Reserve Bank regarding the development and execution of a corrective agreement acceptable to the Board. The agreement will outline the actions to be taken by the applicant to address the financial and/or managerial deficiencies and any limitations on the activities of the applicant until those deficiencies are satisfactorily addressed.

Publication Requirement

The applicant ~~should~~ must publish a notice in a newspaper of general circulation in the community(ies) in which the head offices of the applicant, its largest subsidiarysavings association, and each savings association to bedirectly or indirectly acquired are located. The newspa-per notice ~~should~~ must provide opportunity for the public to submit written comments on the proposal for at least 30 calendar days after the date of publication, and must be published no more than 15 calendar days before and no later than 7 calendar days after the datethat the application is filed with the appropriate Reserve Bank. The Board will publish notice of the proposal in the *Federal Register* upon receipt of the application. On written request by the applicant, the notice in the *Federal Register* may be published up to no more than 15 calendar days before the application isfiled.

The applicant ~~should~~ must contact the appropriate ReserveBank or visit the Board's public website for the recom-mended publication format. A copy of the newspapernotice publication must be provided to the appropriateReserve Bank, as required by Section 262.3(b) of the Board's Rules of Procedure (12 CFR 262.3(b)).

The following is a sample notice:

Notice of Application for
(Formation of Savings and Loan Holding Company) or
(Acquisition of a Savings Association or
Savings and Loan Holding Company by a Savings and Loan Holding Company) or
(Merger of Savings and Loan Holding Companies)

(Name and location of head office) intends to apply to the Federal Reserve Board for permission to *(form a savings and loan holding company with respect to) (acquire a savings association,) (acquire/merge with another savings and loan holding company,) (name and location of head office).* We intend to acquire control of *(name of savings association and location of head office; include name and location of savings association or other nonbank insured depository institution, if any).* The Federal Reserve considers a number of factors in deciding whether to approve the application, including

5. See https://www.federalreserve.gov/supervisionreg/afi/fhcfilings.htm

the record of performance of savings associations we own in helping to meet local credit needs.

You are invited to submit comments in writing on this application to the Federal Reserve Bank of *(address of appropriate Reserve Bank).* The comment period will not end before *(date must be no less than 30 days from the date of publication of the application)* and may be somewhat longer. The Board's procedures for processing applications may be found at 12 CFR Part 262. Procedures for processing protested applications may be found at 12 CFR 262.25. To obtain a copy of the Federal Reserve Board's procedures, or if you need more information about how to submit your comments on the application, contact *(name of Reserve Bank contact and telephone number).* The Federal Reserve will consider your comments and any request for a public meeting or formal hearing on the application if they are received in writing by the Reserve Bank on or before the last day of the comment period.

Confidentiality

Under the provisions of the Freedom of Information Act (the "FOIA" – 5 U.S.C. 552), the application is a public document and available to the public upon request.

Once submitted, an application becomes a record of the Board and may be requested by any member of the public. Board records generally must be disclosed unless they are determined to fall, in whole or in part, within the scope of one or more of the FOIA exemptions from disclosure. See 5 U.S.C. 552(b)(l)-(9).

The exempt categories include (but are not limited to) "trade secrets and commercial or financial information obtained from a person and privileged or confidential" (exemption 4), and information that, if disclosed, "would constitute a clearly unwarranted invasion of personal privacy" (exemption 6). The applicant may request confidential treatment for any information submitted in (or in connection with) its application that the applicant believes is exempt from disclosure under the FOIA. For example, if the applicant is of the opinion that disclosure of commercial or financial information would likely result in substantial harm to its competitive position or that of its subsidiaries, or that disclosure of information of a personal nature would result in a clearly unwarranted invasion of personal privacy, confidential treatment of such information may be requested.

The request for confidential treatment must be submitted in writing concurrently with the filing of the application (or subsequent related submissions), and must discuss in detail the justification for confidential treatment. Such justification must be provided for each portion of the application (or related submissions) for which confidential treatment is requested. Applicant's reasons for requesting confidentiality must specifically describe the harm that would result from public release of the information. A statement simply indicating that the information would result in competitive harm or that it is personal in nature is not sufficient. (A claim that disclosure would violate the law or policy of a foreign country is not, in and of itself, sufficient to exempt information from disclosure. The applicant must demonstrate that disclosure would fall within the scope of one or more of the FOIA exemptions from disclosure.) The applicant must follow the steps outlined immediately below, and certify in the application (or related submissions) that these steps have been followed.

Information for which confidential treatment is requested ~~should~~ must be: (1) specifically identified in the public portion of the application (by reference to theconfidential section); (2) separately bound; and (3) labeled "CONFIDENTIAL."

With respect to applications that include information regarding an individual or individuals associated with the proposed transaction, the Board expects the applicant to certify that it has obtained the consent of the individual(s) to public release of such information prior to its submission to the Board or, in the absence of such consent, to submit (or ensure that the individual(s) submit(s)) a timely request for confidential treatment of the information in accordance with these instructions. Information submitted directly by an individual or individuals will become part of the relevant application record, and, accordingly, will be a Board record subject to being requested by any member of the public under FOIA.

The Federal Reserve will determine whether information submitted as confidential will be so treated and will advise the applicant of any decision to make available to the public information labeled "CONFIDENTIAL." However, it shall be understood that, without prior notice to the applicant, the Board may disclose or

DRAFT

comment on any of the contents of the application in the Order or Statement issued by the Board in connection with its decision on the application. The Board's staff normally will apprise the applicant in the course of the review process that such information may need to be disclosed in connection with the Board's action on the application.

For further information on the procedures for requesting confidential treatment and the Board's procedures for addressing such requests, consult the Board's Rules Regarding Availability of Information, 12 CFR part 261, including 12 CFR 261.17~~5~~, which governs requests for confidential treatment.

Supporting Information

The Federal Reserve specifically reserves the right to require the filing of additional statements and information. The questions in the application are not intended to limit an applicant's presentation. The applicant bears the full burden for presenting and documenting a case that meets the statutory criteria for approval. Supporting information for any or all factors, setting forth the basis for the applicant's judgment, may accompany the application.

Compliance

The applicant is expected to comply with all representations and commitments made in this application. The applicant ~~should~~ must immediately contact the appro- priate Reserve Bank if there is any change in those rep- resentations or in compliance with the commitments todetermine whether additional action is needed.

Requested Information

Proposed Transaction

1. Describe the purpose of the proposed transaction. Identify any changes to the business plan of the savings association/savings and loan holding company to be acquired or the resultant institution. Identify any new business lines or activities.
2. Provide a detailed description of the proposed transaction, including details of mergers or other business combinations necessary to effectuate the proposal/transaction, if applicable.
3. Provide the following with respect to the savings association/savings and loan holding company to be acquired:
   a. Total number of shares of each class of stock outstanding;
   b. Number of shares of each class now owned or under option by the applicant,[6] by subsidiaries of the applicant, by principals of the applicant, by trustees for the benefit of the applicant, its subsidiaries, shareholders, and employees as a class, or by an escrow arrangement instituted by the applicant;
   c. Number of shares of each class to be acquired by cash purchase; the amount to be paid, per share and in total; and the source of funds to be applied to the purchase;
   d. Number of shares of each class to be acquired by exchange of stock, the exchange ratio, and the number and description of each class of the applicant's shares to be exchanged; and
   e. A copy of the purchase, operating, or other agreements associated with the proposed transaction. Also, provide the expiration dates of any contractual arrangement between the parties involved in this application and a brief description of any unusual contractual terms, especially those terms not disclosed elsewhere in the application. Note any other circumstances that might affect timing of the proposal.
   f. Provide any planned dates of data conversion.
4. If the proposed transaction is an acquisition of assets and assumption of liabilities, indicate the

6. The term "principal" as used herein means any individual, corporation, or other entity that (1) owns, or controls, directly or indirectly, individually or as a member of a group acting in concert, 10 percent or more of any class of voting securities or other voting equity interest of the entity; (2) is a director, trustee, partner, or executive officer; or (3) with or without ownership interest, participates, or has the authority to participate in major policy-making functions, whether or not the individual has an official title or is serving without compensation. If the applicant believes that any such individual should not be regarded as a principal, the applicant ~~should~~ must so indicate and give reasons for such opinion.

DRAFT

total price and the source of funds that the applicant intends to use for the proposed purchase, and discuss the effect of the transaction on the operations of the applicant.

5. If the proposed transaction involves the acquisition of an unaffiliated banking operation, describe briefly the due diligence review conducted on the target operations by the applicant. Indicate the scope of, and resources committed to, the review, explain any significant adverse findings, and describe the corrective action(s) to be taken to address those weaknesses.
6. Provide a list of all regulatory approvals and filings required for the proposed transaction and the status of each filing.
7. Provide a copy of any findings, orders, approvals, denials or other documentation regarding the proposed transaction issued by any regulatory authority.
8. If the proposed transaction would result in an organization other than a shell savings and loan holding company with control of one savings association, submit a pro forma organization chart showing the applicant's percentage of ownership of all savings associations and companies, both domestic and foreign, in which it directly or indirectly will own or control more than 5 percent of the outstanding voting shares.

Financial and Managerial Information

Note: Where the subsidiary or target ~~banks~~savings associations have elected to utilize the Community Bank Leverage Ratio ~~F~~framework, applicants are not required to identify risk-weighted assets or provide risk-weighted capital ratios where requested.

9. Provide the following financial statements:
   a. For an applicant that is not or would not be subject to consolidated capital standards following consummation of the proposed transaction[7] provide a parent company balance sheet as of the end of the most recent quarter, showing separately each principal group of assets, liabilities, and capital accounts; debit and credit adjustments

      (explained by detailed footnotes) reflecting pro forma balance sheet. The pro forma balance sheet ~~should~~ must reflect the adjustments required under business combination and fair value accounting standards; and
   b. For an applicant that is or would be subject to consolidated capital standards following consummation of the proposed transaction,[8] provide parent company and consolidated balance sheets as of the end of the most recent quarter, showing separately each principal group of assets, liabilities, and capital accounts; debit and credit adjustments (explained by detailed footnotes) reflecting the proposed transaction; and the resulting pro forma balance sheets; and the financial information provided ~~should~~ must be prepared in accordance with GAAP, and be in sufficientdetail to reflect any:
      - Common equity and preferred stock;
      - Other qualifying capital[9];
      - Long- and short–term debt;
      - Goodwill and all other types of intangible assets; and
      - Material changes between the date of the balance sheet and the date of the application (explained by footnotes).
   c. Provide a detailed discussion of the valuation of the target entity and any anticipated goodwill and other intangible assets. Also, discuss the application of fair value and election to apply pushdown accounting adjustments, as appropriate.
10. For an Applicant that is or would be subject to consolidated capital requirements under Regulation Q (12 CFR part 217) following consummation of the proposed transaction, provide a breakdown of the organization's existing and pro forma risk-weighted assets as of the end of the most recent quarter, showing each principal

DRAFT

the proposed transaction; and the resulting

7. This type of applicant includes a company or similar organization that on a pro forma basis would qualify under the Board's Small Bank Holding Company and Savings and Loan Holding Company Policy Statement, Appendix C to 12 CFR part 225 and 12 CFR 238.9

8. This type of applicant includes a company or similar organization that on a pro forma basis would not be subject to Board's Small Bank Holding Company and Savings and Loan Holding Company Policy Statement.

9. Other qualifying capital includes, but is not limited to, trust preferred securities.

group of on- and off-balance sheet assets and the relevant risk-weight. Also, identify the existing and pro forma components of common equity tier 1, additional tier 1, and tier 2 (if any) capital pursuant to the capital adequacy regulations as of the end of the most recent quarter, and provide calculations of the applicant's existing and pro forma common equity tier 1 capital, tier 1 capital, total capital, and leverage ratios, pursuant to the capital adequacy regulations. If applicable, also provide the applicant's existing and pro forma supplementary leverage ratio pursuant to the capital adequacy regulations.

11. Provide for applicant and any other savings association(s)/savings and loan holding company(ies) that would result from the proposal:

    a. A description of any plans (in connection with the proposed transaction, or otherwise) to issue, incur, or assume additional common equity, preferred stock, other qualifying capital of debt. Specify the amount, purpose, name, and location of the issuer and/or lender; provide a copy of any loan agreement, loan commitment letter from the lender, or other underlying agreement which provides the interest rate, maturity, collateral, and proposed amortization schedule; and discuss what resources would be used to service any debt or capital instruments arising from the proposed transaction; and

    b. Cash flow projections under the following limited circumstances:

        (i) Provide cash flow projections for the parent company for each of the next three years, along with supporting schedules for each material cash receipt and disbursement for an applicant that is or would be subject to consolidated capital standards following consummation of the proposed transaction and that would incur or assume any debt in the proposal such that parent company long-term debt would exceed 30 percent of parent company equity capital. If the applicant projects that dividends or other payments from subsidiary savings association(s) will be used to service parent company debt and/or other obligations, provide projections of subsidiary savings association(s) assets, earnings, and dividends, as well as common equity tier 1, additional tier 1, total capital, and leverage ratios (including the supplementary leverage ratio, if applicable), or Community Bank Leverage Ratio, pursuant to the capital adequacy regulations. (If the combined assets of the subsidiary savings associations exceed the asset threshold of the Board's Small Bank Holding Company Policy Statement, subsidiary savings association data may be shown on an aggregate basis.);

        (ii) For an applicant that is not or would not be subject to consolidated capital standards following consummation of the proposed transaction and that would incur or assume any debt or other obligations in the proposal such that parent company debt[10] would exceed 30 percent of parent company equity capital, provide cash flow projections for the parent company for each of the next twelve years, along with supporting schedules for each material cash receipt and disbursement. These projections must clearly demonstrate the ability of the parent company to reduce the debt to equity ratio to 30 percent or must take into account the schedule of principal reduction required by the parent company's creditor(s). Include projections of subsidiary savings association(s) assets, earnings, dividends, and other payments to affiliates, as well as common equity tier 1 capital, tier 1 capital, total capital, and leverage ratios, or Community Bank Leverage Ratio, as appropriate. Explain the methods and assumptions utilized in the projections,and support all assumptions, which deviate from historical performance.

10. Including any debt issued/incurred by nonbanking subsidiaries, such as trust preferred securities.

DRAFT

c. If the proposed transaction results in a change in ownership of the company (e.g., due to an exchange of stock), provide a current and pro forma shareholders list.
d. If the subject transaction will be funded in whole, or in part, through the issuance of additional stock instruments, describe the current status of the stock raising efforts. Provide copies of the prospectus, private placement memorandum, and other documents associated with the capital raise. In addition, provide copies of any stock commitments, subscription agreements, or escrow account statements evidencing capital raised. Before submitting a final application, please contact the appropriate Federal Reserve Bank to discuss the timing considerations of the capital raising efforts with regard to submission of the application.

12. For applications filed to establish a savings and loan holding company, pursuant to Section 10(e)(1) of HOLA, 12 U.S.C. 1467a(e)(1), provide for the applicant and savings association a list of principals (including changes or additions to this list to reflect consummation of the transaction), providing information with respect to each as follows:

a. Name and address (City and State/Country). If the principal's country of citizenship is different from his or her country of residence, then state the country of citizenship;
b. Title or positions with the applicant and the savings association;
c. Number and percentage of each class of shares of the applicant and the savings association owned, controlled, or held with power to vote by this individual;[11]
d. Principal occupation if other than with the applicant or the savings association; and
e. Percentage of direct or indirect ownership, if such ownership represents 10 percent or more of any class of shares, or positions held in any other depository institution or depository institution holding company.[12] Give the name and location of such other depository institution or depository institution holding company. (Information that has been collected or updated within the past 12 months may be submitted, unless the applicant has reason to believe that such information is incorrect.);
f. Interagency Biographical and Financial Reports (IBFRs) are required for certain individuals. Consult with the appropriate Reserve Bank for guidance on who ~~should~~ must provide an IBFR. See SR 15-8 Name CheckProcess for Domestic and International Applications for more details; and
g. If the principal is a corporation or partnership, provide financial statements (balance sheets and income statements) for the two most recent fiscal years and the most recent quarter-end. Discuss any negative trends in the financial statements.

13. For applications resulting in the control of more than 5 percent of the outstanding shares of any class of voting security of the savings association or savings and loan holding company or a merger of savings and loan holding companies, list any changes in management or other principal relationships for the applicant and any other savings association(s)/savings and loan holding company(ies) that would result from the proposal. For any existing or proposed principal of the applicant or savings association/savings and loan holding company that is also a principal of any other depository institution or depository institution holding company, provide the following information:

a. Name, address, and title or position with the applicant, the savings association/savings and loan holding company, and any other depository institution or depository institution holding company (give the name and

11. Include shares owned, controlled or held with power to vote by principal's spouse, dependents, and other immediate family members. Give record ownership and, to the extent information is available, beneficial ownership of shares held by trustees, nominees, or in street names.

12. For purposes of this application, a "depository institution" is defined as a commercial bank (including a private bank),a savings bank, a savings association, a trust company, a savings and loan association, a homestead association, a cooperative bank, an industrial bank, or a credit union.

DRAFT

location of the other depository institution or depository institution holding company);

b. Number and percentage of each class of shares of the applicant and the savings association/savings and loan holding company owned, controlled, or held with power to vote by this individual;[13]

c. Principal occupation if other than with the applicant or the savings association/savings and loan holding company;

d. Percentage of direct or indirect ownership held in the other depository institution or depository institution holding company if such ownership represents 10 percent or more of any class of shares. (Information that has been collected or updated within the past 12 months may be submitted, unless the applicant has reason to believe that such information is incorrect.); and

e. For any new (to the applicant) principal shareholders, directors, or senior executive officer, provide an IBFR including completion of all required financial information.

14. If the consolidated assets of the resulting organization are less than the asset threshold of the Board's Small Bank Holding company and Savings and Loan Holding Company Policy Statement for each principal of the applicant who either would retain personal indebtedness or act as guarantor for any debt that was incurred in the acquisition of shares of the applicant or the savings association/savings and loan holding company, provide the following:

a. Name of borrower and title, position, or other designation that makes the borrower a principal of applicant;

b. Amount of personal indebtedness to be retained;

c. A description of the terms of the borrowing, the name and location of the lender, and a copy of any related loan agreement or loan commitment letter from the lender

d. Statement of net worth as of a date within three months of the applicant's final filing of the application. The statement of net worth ~~should~~ must be in sufficient detail to indicate each principal group of assets and liabilities of the reporting principal, and the basis for the valuation of assets (provide supporting documentation, as appropriate). In addition to debts and liabilities, the reporting principal ~~should~~ must state on a separate schedule, any endorsed, guaranteed, or otherwise indirect or contingent liability for the obligation of others; and

e. Statement of most current year's income. In addition to indicating each principal source of annual income, the reporting principal ~~should~~ must list annual fixed obligations arising from amortization and other debt servicing. (If the most current year's statement is not representative of the future, the reporting principal ~~should~~ must submit a pro forma income statement and discuss the significant changesand the basis for those changes).

15. A discussion of the saving association's compliance with the Qualified Thrift Lender (QTL) requirements in 12 U.S.C. §1467a(m) and any anticipated failures. Disclose the calculations used to determine the saving association's compliance with the QTL.

16. Describe any litigation or investigation by local, state, or federal authorities involving the applicant or any of its subsidiaries or the target or any of its subsidiaries that is currently pending or was resolved within the last two years.

Competition

If the subject transaction is a savings and loan holding company formation involving only one savings association or an application filed to acquire a de novo savings association, a response to items 15 and 16 is not required. Otherwise, the applicant should contact the appropriate Reserve Bank to determine whether a response to items 15 and 16 will be necessary. If a response is required, the applicant should contact the appropriate Reserve Bank to obtain a preliminary definition of the relevant banking markets involved in the proposed transaction. If the applicant disagrees with the Reserve Bank's preliminary definition of the banking market(s), it may, in addition to supplying the information requested on the basis of the Reserve Bank's definition of the banking market(s), include its

13. As defined in footnote number 10.

DRAFT

own definition of the banking market(s), with supporting data, and answer the questions based on its definition. If additional analysis results in a change to the preliminary market definition, the applicant will be so informed.

17. Discuss the effects of the proposed transaction on competition within the market(s) affected by the acquisition. Provide sufficient information to support the permissibility of the transaction(s) if the proposed transaction(s) may substantially lessen competition or result in a monopoly in the market(s) concerned. You ~~should~~ must provide a Herfindahl-Hirschman Index calculation, both pre- and post- merger, in all affected market areas. The applicant may be required to provide additional information if Federal Reserve staff determines that the proposal exceeds existing competitive guidelines. Also, if divestiture of all or any portion of any insured depository institution constitutes part of this proposal, discuss the divestiture in detail, including the timing of such divestiture.

18. If the proposal involves the acquisition of business activities pursuant to section 10(c) of HOLA, 12 U.S.C. 1467a(c), a separate filing ~~should~~ must be submitted in connection with the
LL-10(e) filing. At a minimum, the information related to the business activities ~~should~~ must includethe following:

    a. A description of the proposed business activity(ies);
    b. Detailed discussion of and specific citations to the authority(ies) under section 10(c) of HOLA and the Board's Regulation LL (12 CFR part 238) on which the applicant will rely to engage in such business activities;
    c. The name and location of the applicant's and the savings association's direct or indirect subsidiaries that engage in the proposed activity(ies);
    d. Identification of the geographic and product markets in which competition would be affected by the proposal;
    e. A description of the effect of the proposal on competition in the relevant markets; and
    f. A list of major competitors in each affected market.

In addition, the applicant ~~should~~ must identify any other business activities to be acquired, with brief descrip-tions of the activities provided.

19. In an application in which any principal of applicant or the savings association/savings and loan holding company is also a principal of any other insured depository institution or depository institution holding company, give the name and location of each office of such other institution that is located within the relevant banking market of savings association/savings and loan holding company, and give the approximate road miles by the most accessible and traveled route between those offices and each of the offices of savings association/savings and loan holding company.

Convenience and Needs

20. Describe how the proposal would assist in meeting the convenience and needs of the community(ies) to be served, including, but not limited to, the following:

    a. Summarize efforts undertaken or contemplated by the applicant to ascertain and address the needs of the community(ies) to be served, including community outreach activities, as a result of the proposal.
    b. For the combining institutions, list any significant anticipated changes in services or products offered by the depository subsidiary(ies) of the applicant or target that would result from the consummation of the transaction.
    c. To the extent that any products or services of the depository subsidiary(ies) of the applicant or target would be offered in replacement of any products or services to be discontinued, indicate what these are and how they would assist in meeting the convenience and needs of the communities affected by the transaction.
    d. Discuss any enhancements in products or services expected to result from the transaction.

21. Describe how the applicant and resultant institution, including its depository subsidiary(ies),

DRAFT

would assist in meeting the existing and anticipated needs of its community(ies) under the applicable criteria of the Community Reinvestment Act (CRA), 12 U.S.C. 2901, and its implementing regulations, including the needs of low- and moderate-income geographies and individuals. This discussion ~~should~~ must include, but not nec-essarily be limited to, a description of the following:

a. The significant current and anticipated programs, products, and activities, including lending, investments, and services, as appropriate, of the depository subsidiary(ies) of the applicant and the resultant institution.
b. The anticipated CRA assessment areas of the depository subsidiary(ies) of the resultant institution. If assessment areas of the depository subsidiary(ies) of the resultant institution would not include any portion of the current assessment area of that subsidiary, describe the excluded areas.
c. The plans for administering the CRA program for the depository subsidiary(ies) of the resultant institution following the transaction.
d. For a subsidiary of the applicant or target

that has received a CRA composite rating of "needs to improve" or "substantial noncompliance" institution-wide or, where applicable, in a state or multi-state Metropolitan Statistical Area (MSA), or has received an evaluation of less than satisfactory performance in an MSA or in the non-MSA portion of a state in which the applicant is expanding as a result of the transaction, describe the specific actions, if any, that have been taken to address the deficiencies in the institution's CRA performance record since the rating.

22. List all offices of the depository subsidiary(ies) of the applicant or target that (a) will be established or retained as branches, including the main office, of the target's depository subsidiary(ies), (b) are approved but unopened branch(es) of the target's depository subsidiary(ies), including the date the current federal and state agencies granted approval(s), and (c) are existing branches that will be closed or consolidated as a result of the proposal (to the extent the information is available), and indicate the effect on the branch customers served. For each branch, list the popular name, street address, city, county, state, and zip code, specifying any that are in low- and moderate-income geographies.[14]

14. Please designate any branch consolidations as that term is used in the Joint Policy Statement on Branch Closings, [64 FR 34844 (June 29, 1999)].

DRAFT