

Approval Letter: Quasi-reorganization

[OCC LOGO]

Date

Name of Contact Person

Name of Bank

Address

City, State, ZIP Code

Re: Application Description, CAIS Control Number

Dear Mr./Ms. (Name):

The Comptroller of the Currency (OCC) has granted permission for (name of bank) to perform a quasi-reorganization as outlined in your letter of (date). This letter constitutes OCC's recognition of the proposed quasi-reorganization to compute the formulas established in 12 USC 56 and 60 for the payment of dividends. This letter also serves as approval of the reduction in (capital/surplus).

This approval is granted based on a thorough review of all information available, including the representations and commitments made in the application(s) and by the bank's(s') representatives.

(If applicable) This approval is granted subject to the following condition(s):

[List Conditions: Conditions are subject to 12 USC 1818 and will remain in effect after completing the quasi-reorganization.]

The(se) condition(s) of approval (is a condition/are conditions) "imposed in writing by the agency in connection with the granting of any application of other request" within the meaning of 12 USC 1818. As such, the condition(s) is/are enforceable under 12 USC 1818.

(If applicable, describe any special items that must be completed prior to the reorganization.)

The following specific accounting and legal requirements must be met:

- The transaction must be accounted for according to Chapter 7A of Accounting Research Bulletin No. 43, issued by the American Institute of Certified Public Accountants (AICPA). Assets and liabilities must be valued first to their current market value and any net write off as a result of the revaluation charged against undivided profits. The revaluation cannot increase total capital. Once the revaluation is complete, the deficit in the undivided profits account may be eliminated against the surplus account, and if necessary, the common stock account.
- Shareholder approval must be obtained for the quasi-reorganization. Shareholders must be provided with a full disclosure of all material aspects of the proposal, including the appraisal process, prior to the shareholders' meeting.

- *(If proxy materials must be filed)* Preliminary proxy materials or information statements must be filed for banks that are subject to 12 CFR 11 with the OCC's Securities and Corporate Practices Division, Washington, DC, for review and clearance prior to distribution to shareholders.
- *(For transactions that involve a reduction in common stock)* Shareholders' approval must be obtained for the reduction in common stock according to 12 CFR 5.46(k) and the Articles of Association may also have to be amended in accordance with 12 USC 21(a).

Once shareholder approval has been obtained, notify the OCC when the change has been completed. Along with the notification, provide:

- A copy of the final proxy materials as distributed to the shareholders.
- Certification of shareholders' approval.
- *(For transactions that require a reduction in capital stock)* A certified copy of the amendment to the Articles of Association.
- A statement that the transaction complied with all laws, regulations, and conditions imposed by the OCC.

Upon receipt of your notice, the OCC will acknowledge the effective date for the reduction in capital.

The quasi-reorganization should be completed within one year of the date of this letter.

This approval and the activities and communications by OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States (U.S.), any agency or entity of the United States, or any officer or employee of the U. S., and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. The foregoing may not be waived or modified by any employee or agent of the OCC or the U. S.

If you have questions, contact *(name, address, city, state, ZIP Code)* at *(telephone number)*.

Sincerely

—Signature—

Name and Title

cc: Official File