

2601 North Lamar - Suite 201
Austin, Texas 78705
Telephone: (512) 475-1350



APPLICATION FOR CHANGE OF CONTROL OF A TEXAS SAVINGS BANK

INTRODUCTION

This application shall be prepared by the applicant requesting to acquire control of a state savings bank. The application must demonstrate that the applicant complies with the provisions of the Texas Savings Bank Act (the "Act") and the Rules and Regulations Applicable to Texas Savings Banks (the "Rules") and shall include all information required in the Rules, 75.122. One complete originally signed copy with all exhibits, accompanied by the application fee as provided in 79.101 of the Rules, shall be filed with the Commissioner, Texas Savings and Mortgage Lending Department, 2601 North Lamar, Suite 201, Austin, Texas 78705.

The required application format is set forth beginning on page 3 and the submission should clearly identify the item to which each response applies. The application and all required supporting information shall be executed by the applicant, or the chief executive officer if the applicant is not an individual, submitting the application.

Confidential Treatment

All materials filed as part of this application are available for public inspection, except the personal financial data supplied and identified as "CONFIDENTIAL" and that which the Commissioner determines to hold from public availability because of its confidential nature. If the applicant submits information it deems to be confidential, such information must be separately bound and labeled "CONFIDENTIAL" and a statement shall be submitted briefly setting forth the grounds on which such information should be treated as confidential.

CHANGE OF CONTROL APPLICATION PROCEDURE

The application of an individual or other entity to acquire control of a Texas Savings Bank is initiated by the entity desiring such control. Upon receipt of the application, the Commissioner and the Department will review the application and determine whether any additional information will be required. After review of the filed material, the applicant may be requested to furnish additional information. All amendments shall be clearly identified as such, numbered consecutively and shall comply with all pertinent requirements of the application, including original signature. Upon receipt of all necessary information, the application will be deemed complete and the applicant so advised in writing.

On receipt of an application, the Commissioner shall submit to the *Texas Register* for publication in the next issue after the date the application is received: 1) notice of the application; 2) the date the application was filed; and 3) the identity of each party to the application. The Commissioner may at his discretion set and hold a hearing on an application for acquisition of control of a savings bank. If the Commissioner issues a written order denying an application for acquisition of control, the disapproved applicant is entitled to a public hearing on such application.

If the Commissioner is satisfied that the applicants have complied with all statutes and rules governing change of control, he may issue an order approving the application stating the findings required by 75.122 of the Rules. A protested application will be heard at the Finance Commission of Texas Building, 2601 North Lamar, 3rd Floor, Austin, Texas 78705.

The Commissioner may for good cause, after notice and hearing, impose direct administrative costs incurred by the Department related to hearings on applications filed pursuant to the Act, in addition to other sanctions and cost recoveries provided by law or these rules. Direct administrative costs include, but are not limited to, charges by Finance Commission of Texas for the Administrative Law Judge, reasonable attorney's fees and deposition expenses, witnesses' travel expenses, reasonable fees for professional services of expert witnesses, the reasonable cost of a study, analysis, audit or other project the Commissioner finds necessary in preparation of the State's cause.

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TEXAS SAVINGS AND MORTGAGE LENDING DEPARTMENT

2601 North Lamar Suite 201
Austin, Texas 78705

**APPLICATION FOR CHANGE OF CONTROL
OF A TEXAS SAVINGS BANK**

(Exact Name of Applicant)

(Street Address of Applicant)

(City, State and Zip Code)

(Date of Application)

Additional Information Concerning This Application May Be Obtained From:

(Name and Title)

(Address)

(Telephone Number)

The undersigned hereby makes this application to the Savings and Mortgage Lending

Commissioner for approval to acquire control of (name and address of savings bank) pursuant to the Texas Savings Bank Act, (the "Act") and 75.122 of the Rules and Regulations Applicable to Texas Savings Banks, 7 TAC 75.01, et seq. (the "Rules"), and submits this application and other information and exhibits required by the Commissioner.

ITEM 1. IDENTITY OF INDIVIDUAL. List your name, address, present business activity, position, company, and company address; and material occupations held previously, including starting and ending dates, name, principal business, address of company, and if any required licensing.

ITEM 2. BACKGROUND OF INDIVIDUAL. Respond to the following questions:

- a. Have you ever been charged with a criminal violation? If yes, when, nature of conviction, which court, and penalty or fine.
- b. Have you ever been party to a lawsuit alleged to have violated federal or state statute? If yes, when, style of suit, case number, court, and disposition.
- c. Have you been party to agency administrative action charged with violating governmental agency (state or federal) regulation? If yes, when, nature of charge, name of agency, and disposition of case.

Also include a completed Authority to Release Information Form, and latest available federal income tax return.

ITEM 3. BACKGROUND AND IDENTITY OF ENTITY. If applicant is not an individual, list the nature of business operations for past five years or less if not in existence for five years.

ITEM 4. RELATIONSHIP WITH SAVINGS BANK. Any interrelationships between the applicant and affiliates of the applicant? If yes, describe.

ITEM 5. FUNDS TO BE USED IN ACQUISITION. What is the source of funds to be used in the acquisition of control of the savings bank, including the total of funds, the amount of funds if any that are to be borrowed, including the creditor, the terms, and any affiliation with the creditor?

ITEM 6. FUTURE PLANS. Are there any plans to declare dividends to liquidate the savings bank or make other material changes, including management?

ITEM 7. TERMS OF ACQUISITION. The terms and conditions of proposed acquisition and the manner in which the acquisition is to be made.

ITEM 8. NUMBER OF SHARES TO BE ACQUIRED. Number of savings bank shares that the applicant and its affiliates plan to acquire, and terms of the offer.

ITEM 9. AGREEMENTS. Are there any contracts or agreements with respect to any voting shares of the savings bank in which the applicant or its affiliates is involved?

- ITEM 10. ADDITIONAL AGREEMENTS REQUESTED BY COMMISSIONER.** Include copies of contracts or agreements which the commissioner determines are relevant to the review of the application.
- ITEM 11. ADDITIONAL INFORMATION.** The commissioner may request other information that is considered relevant to the application.
- ITEM 12. ADDITIONAL INFORMATION REGARDING ENTITY.** If applicant is a partnership, limited partnership, syndicate, trust, or other group, the commissioner may require that information be given with respect to each partner, each member of a syndicate or group, and each person that controls such partner or member:
- ITEM 13. ADDITIONAL INFORMATION REGARDING CORPORATION.** If applicant is a corporation, the commissioner may require information be given with respect to such corporation and each officer and director of such corporation and each person who directly or indirectly owns over 10% of the shares of the corporation.

STATE OF TEXAS)
)
COUNTY OF _____)

_____, being duly sworn, on his oath deposes and says: "I am _____ and I am filing this application. I have reviewed all statements, facts and graphic representations contained in this application, and they are true and correct. I further state that the application is made in good faith with the purpose and intent that the affairs and business of the savings bank shall continue to be honestly conducted upon good and sound business principles."

Sworn to and subscribed before me, the undersigned authority by _____
_____ on this the _____ day of _____, 20 _____, to
certify which, witness my hand and seal of office.

Notary Public in and for the State of Texas

(Print name and commission expiration date)