

OFFICE OF THRIFT SUPERVISION

TRANSFER APPLICATION

PAPERWORK REDUCTION ACT STATEMENT

The Office of Thrift Supervision (OTS) will use this information to determine and evaluate an institution's proposed transaction to purchase a branch office and/or transfer of savings accounts in light of the appropriate regulatory criteria.

Collection of the information is mandatory [12 C.F.R. §§ 546.2, 552.13, and 563.22].

Public reporting burden for this collection of information is estimated to average 24 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining data needed, and completing and reviewing the collection of information. If a valid OMB Control Number does not appear on this form, you are not required to complete this form. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the, Office of Thrift Supervision, Corporate & International Activities, 1700 G Street, N.W., Washington, D.C. 20552; and to the Office of Management and Budget, Paperwork Reduction Project (1550-0025), Washington, D.C. 20503.

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TRANSFER APPLICATION

Filing Instructions

Pursuant to 12 C.F.R. §§ 563.22(b)(2) and 563.22(c), an application must be submitted to the Office of Thrift Supervision (OTS) by savings associations that do not qualify for expedited treatment under 12 C.F.R. § 516.5 prior to converting to a state or national bank, or engaging in a transfer transaction that is not subject to 12 C.F.R. § 563.22(a) or (b).

Under 12 C.F.R. § 563.22(c), the term “transfer” means “purchase or sales of assets or liabilities in bulk not made in the ordinary course of business including, but not limited to, transfers of assets or savings account liabilities, purchases of assets, and assumptions of deposit accounts or other liabilities, and combinations with a depository institution other than an insured depository institution.”

The most common transfer transactions include: (1) bulk purchases of assets by a savings association that do not require approval under the Bank Merger Act and 12 C.F.R. § 563.22(a); (2) bulk sales of less than all or substantially all of the assets of a savings association; (3) transactions in which a savings association transfers less than all or substantially all of its deposit liabilities to a bank or other depository institution; (4) bulk assumptions or transfer of non-deposit liabilities and (5) combinations involving savings associations and depository institutions other than FDIC-insured depository institutions.

Refer to 12 C.F.R. § 516.40 for instructions regarding the number of copies to be filed and the places such copies must be filed.

Docket Number: _____

OFFICE OF THRIFT SUPERVISION
TRANSFER APPLICATION

Name of Savings Association

Location of Savings Association

Contact Person, Telephone Number (including area code) and Address for all communications

Item 1: Proposed Transaction(s)

The applicant shall provide a description to the material features of the proposed transaction. In the case of a bulk purchase or sale of assets or liabilities, the applicant should provide an appropriately detailed description of the assets and/or liabilities involved. If the transfer or charter conversion is part of a multi-step transaction, the applicant shall provide a description of each step in the transaction. If the applicant has entered or intends to enter into a contract or agreement, discuss the material terms, disclose the consummation date if available and provide a copy of underlying documents.

Item 2: Shareholder or Accountholder Vote

The applicant shall describe any shareholder or accountholder vote required by any statute, regulation, and charter provision or otherwise in connection with any step of the transaction.

Item 3: Accounting Treatment and Tax Consequences

- (a) The applicant shall describe the proposed accounting procedure to be used to account for the transaction. An accounting opinion shall be provided which verifies that the accounting is in accordance with GAAP.
- (b) The applicant shall summarize the federal, state and local tax consequences of the transaction. If the transaction is tax free, a ruling from the Internal Revenue Service, or an opinion of tax counsel or tax accountant should be provided. If a tax liability is involved, an estimate by tax counsel or tax accountant as to the amount of liability, the name of the entity assuming the liability and the source of payment should be provided.

Item 4: Regulatory Issues

The applicant shall provide the following information concerning state and federal regulatory agency jurisdiction over the proposed transaction:

- (a) A statement of the nature and extent of jurisdiction of any state agency or federal agency, other than the OTS, over the transaction.
- (b) A description of any filings made or to be made with any agency referenced in (A. for Item 4) section) above and what actions would be required by such agency in order for the transaction to proceed or be consummated.
- (c) A copy of any filings, orders, approval, or denials, etc. concerning the subject transaction issued by any agency having jurisdiction as described above.

Item 5: Fees, Commissions, Expenses and Capital Distributions

The applicant shall provide the following information concerning the fees, commissions, and expenses paid or incurred or to be paid or incurred, directly or indirectly, by the applicant: name of entity providing the service; nature of services; and affiliation of the entity with the applicant or any other entity participating in the transaction; and amount to be paid.

State whether the transaction involves a capital distribution, as described in 12 C.F.R. § 563.141, directly or indirectly, from the applicant. If so, indicate the amount of the capital distribution, and details regarding the distribution.

Item 6: Financial Resources

The applicant shall provide pro forma financial information for the applicant reflecting consummation of the proposed transaction. If the transaction will involve the acquisition of a non-FDIC insured depository institution, the applicant will provide audited financial statements for the entity to be acquired for the most recent three full years, and any subsequent partial year.

This item is not required for request to convert to a bank.

Item 7: Managerial Resources

The applicant shall provide a description of any change in the management officials (as defined in 12 C.F.R. § 574.2(k)) or persons exercising similar functions that will occur as a result of the proposed transaction. If any person will become an officer or director of the applicant as a result of the transaction, the following information must be provided with respect to each such person.

- (a) Name of person(s).
- (b) All positions and offices to be held.
- (c) All positions held at other depository organizations (as defined in 12 C.F.R. § 563f.2(h)) and all holdings of 10 percent or more of such depository organizations. The name, address and asset size of each organization must also be provided.
- (d) Certification indicating current and pro forma compliance with the management interlocks prohibitions contained in 12 C.F.R. Part 563f or an explanation of the basis of any claimed exemption from Part 563f.
- (e) Disclose terms of compensation and provide copies of any employment contracts.

This item is not required for request to convert to a bank.

Item 8: Future Prospects

The applicant shall provide a description of the future prospects of the institution(s) including economic conditions in the respective industry and geographic areas of the institution(s); financial factors arising from debt or financial structure, operating or other losses; and benefits from the proposed transaction(s). In addition, a summary of any proposed changes to the intended business of the institutions(s) for the 12 months subsequent to consummation of the subject transaction(s) should be provided.

If an uninsured institution is involved, submit a copy of the latest independent audit opinion (if the association has been audited) and the latest state examination report for the association.

This item is not required for request to convert to a bank.

Item 9: Convenience and Needs of the Community

The applicant shall discuss any expected changes in the delineated local community and in the performance of the institution(s) in helping to meet the credit needs of its entire community, including low and moderate income neighborhoods, as well as the effect the proposed transaction will have on the availability of credit and savings services in the community served by the institution(s) if applicable.

If the proposed transaction will result in an amended CRA Statement, provide a copy of the amended Statement and specially discuss any change from the present CRA Statement.

Provide information concerning any CRA comments or complaints received subsequent to completion of the most recent full examination of the applicant association(s). If no comments have been received, a statement to the effect needs to be provided.

Item 10: Nonconforming Assets, Liabilities or Activities; Qualified Thrift Lender Test

The applicant shall state whether the transaction is projected to cause the resulting association to fail the qualified thrift lender test as set forth in 12 U.S.C § 1467a(m).

In the case of an applicant that is a Federal association and is acquiring assets or liabilities (including acquisition of a non-FDIC insured depository institution), state whether the transaction will cause the applicant to acquire any assets or assume any liabilities, or engage in any activities, that are not permissible for a Federal association. Describe the applicant's plans for disposal of any such assets or liabilities or discontinuation of any such activities.