

Issuance of Subordinated Debt and Inclusion as Tier 2 Capital Application

General Information and Instructions

Preparation and Use

This application may be used by national banks and federal savings associations (collectively, banks, or individually, bank or applicant). This application seeks approval from the Office of the Comptroller of the Currency (OCC) for a national bank to issue subordinated debt under 12 CFR 5.47. This form is required for a national bank that is *not* an eligible bank to issue any subordinated debt, regardless of whether it will be included in tier 2 capital. This form is also required for an eligible national bank to issue any subordinated debt, regardless of whether it will be included in tier 2 capital, if that bank will not continue to be an eligible national bank after the transaction, the OCC has previously notified the bank that prior approval is required, or prior approval is required by law.

Pursuant to 12 CFR 163.80(e), FSAs are required to provide notice to the appropriate OCC district licensing office before issuing subordinated debt if (1) the FSA does not meet its capital requirements under 12 CFR 3, and (2) the maturity of the note exceeds one year. The notice must be made at least 10 business days before issuance.

Subordinated Debt Inclusion s Tier 2 Capitala

Pursuant to 12 CFR 5.47(f)(1)(ii), if . to issue the subordinated debtwithin 10 days after issuing the subordinated debt, regardless of whether the national bank was required to seek prior approvalbefore or OCC submit an application to the national bank intends to include the subordinated debt instrument in tier 2 capital, the national bank must a

In addition to .capital instruments issued by both national banks and FSAsFSAs must also satisfy the regulatory capital requirements of 12 CFR 3.20(d), which apply to . FSAs must satisfy the requirements of 12 CFR 5.56 for subordinated debt to be included in tier 2 capital, 12 CFR 163.80 in the general requirements

All questions must be answered with complete and accurate information that is subject to verification. If the answer is “none,” “not applicable,” or “unknown,” so state. Answers of “unknown” should be explained.

The questions in the application are not intended to limit the applicant's presentation nor are the questions intended to duplicate information supplied on another form or in an exhibit. For such information, a cross-reference to the information is acceptable. Any cross-reference must be made to a specific citation or location in the documents, so the information can be found easily. Supporting information for all relevant factors, setting forth the basis for the applicant's conclusions, should accompany the application. The regulatory agency may request additional information.

This application form collects information that the OCC will need to evaluate the reasons for, and the impact of, an issuance of subordinated debt. The OCC must consider the applicable regulatory requirements set forth above when acting on this application. For additional information regarding the regulatory requirements and any supplemental information that may be required, refer to the OCC's guidance in the *Comptroller's Licensing Manual*. The applicant may contact the OCC directly for specific instruction or visit the OCC's Web site at

Notice of Publication

Generally, public notice under 12 CFR 5.8 does not apply to the issuance of subordinated debt, unless the OCC determines that the application presents a significant or novel policy, supervisory, or legal issue where a public notice is considered necessary. A public notice also may be required where an issuance of subordinated debt is accompanied by a second application that requires a publication notice under 12 CFR 5.8. In this instance, a public notice describing the entire transaction may be necessary to ensure the public has a full understanding of the entire transaction.

If a notice is required, the applicant must publish notice of the proposed prepayment of subordinated debt in a

newspaper of general circulation in the community or communities in which the applicant engages in business. The OCC will provide specific requirements for the notice of publication.

Submission

In addition to an original application and the appropriate number of signed copies, submit an electronic copy of the information in the application, especially of the business plan's financial projections, if applicable. For e-mail submissions, contact the OCC for instructions and information about secure transmission of confidential material.

Required filings be submitted through the OCC's electronic filing system, called the Central Application Tracking System (CATS), which allows applicants to complete and submit certain filings online. Some forms can be completely filled out online, while other forms and supporting documents may be completed offline and uploaded individually. can also Contact the OCC for instructions and information about submission of filings through the CATS system.

Confidentiality

Any applicant desiring confidential treatment of specific portions of the application must submit a request in writing with the application. The request must discuss the justification for the requested treatment. The applicant's reasons for requesting confidentiality should specifically demonstrate the harm (for example, loss of competitive position, invasion of privacy) that would result from public release of information (5 USC 552 or relevant state law). Information for which confidential treatment is requested should be (1) specifically identified in the public portion of the application (by reference to the confidential section); (2) separately bound; and (3) labeled "Confidential." The applicant should follow the same procedure when requesting confidential treatment for the subsequent filing of supplemental information to the application. Contact the OCC for any further questions regarding requests for confidential treatment.

Issuance of Subordinated Debt Application

Applicant

Charter No.:

Name

Street Address

City State Zip Code

Parent Company Identifying Information (if applicable):

Name

Street Address

City State Zip Code

Contact Person:

Name Title

Employer

Street Address

City State Zip Code

Phone No. Fax No. E-mail

Overview: Please provide the pertinent information and answer all applicable questions.

1. Purpose and description of the issuance.

(This field will expand to fit the text that is entered)

2. Is the bank seeking approval to include the issuance as Tier 2 capital?

Yes No

3. Proposed approximate date of issuance.

4. Proposed dollar amount of issuance.

5. Anticipated interest rate of the issuance.

5. Provide a copy of the bank's Subordinated Note (See the [sample note template](#) that is for national banks only for inclusion as Tier 2 capital or see the [sample note template](#) for non-inclusion.) or Indenture and Agreement, where applicable. Discuss how the proposed terms are consistent with applicable regulations

(This field will expand to fit the text that is entered)

6. Does the bank plan to sell the subordinated debt to or have the debt funded by another national bank or federal savings association?

Yes No

If yes, provide the name and location of the purchasing bank.

(This field will expand to fit the text that is entered)

7. Does the issuance comply with all applicable statutes and regulations, including the subordinated debt requirements specified under 12 CFR 5.47 (national banks) or 12 CFR 163.80 and 5.56 (federal savings associations)?

Yes No

If no, please explain why not.

(This field will expand to fit the text that is entered)

8. **Does the issuance satisfy the regulatory capital requirements of 12 CFR 3 and 12 CFR 3.20 (d) for the subordinated debt to qualify as regulatory capital? Yes No**

If no, please explain why not.

(This field will expand to fit the text that is entered)

8. Is the bank currently subject to a capital plan filed with the OCC?

Yes No

If yes, has the capital plan been approved by the OCC?

Yes No

If yes, does the capital plan allow for the issuance of subordinated debt?

Yes No

Desired action date:

NOTE: Discuss and confirm any change in the [bank's] capital category and the legal lending limit with your supervisory office.

(This field will expand to fit the text that is entered)

OCC CERTIFICATION

In connection with the proposed issuance of subordinated debt application, the bank certifies that:

- The proposed issuance of subordinated debt is consistent with law, regulations, and OCC policy.
- The proposed issuance of subordinated debt qualifies as Tier 2 capital.
- If appropriate, the proposed issuance of subordinated debt complies with the bank's capital plan.

I certify that the bank's board of directors, shareholders, or a designated official has authorized the filing of this application. I certify that the information contained in this application has been examined carefully and is true, correct, complete and current as of the date of this submission. Additionally, I agree to notify the OCC if the facts described in the filing materially change prior to receiving a decision or at any time prior to consummation of the action contemplated herein.

I acknowledge that any misrepresentation or omission of a material fact with respect to this application, any attachments to it, and any other documents or information provided in connection with this application may be grounds for denial of the application or revocation of its approval, and may subject the undersigned to legal sanctions, including the criminal sanctions provided for in Title 18 of the United States Code.

I acknowledge that the approval of this application is in the discretion of the OCC. The activities and communications by OCC employees in connection with the filing, including approval of the application if granted, do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. I further acknowledge that the foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

President or other authorized officer

Typed Name

Title

Employer