

WEST VIRGINIA DIVISION OF BANKING
PROCESS TO BE FOLLOWED BY BANK MERGER APPLICANTS
(INCLUDING REORGANIZATIONS INVOLVING MERGERS OF AFFILIATED BANKS)

(Not for Phantom Bank Merger)

Applicants are encouraged to schedule a pre-filing conference with The West Virginia Division Of Banking. This conference will provide information regarding the application process as well as make available information in the West Virginia Division Of Banking's library.

I. Filing requirements:

- A. Complete the Interagency Bank Merger Act Application with the Federal Deposit Insurance Corporation or the appropriate Federal Reserve Bank.
- B. For West Virginia Division of Banking, file two originally signed copies.
- C. An examination and investigation fee of \$500 must be enclosed with the application if only one bank is merging. If the transaction involves more than one merging bank OR if the transaction is a reorganization by merger of existing affiliates, the fee will be \$500 plus an additional \$500 for each merging NATIONAL BANK OR FEDERAL THRIFT INSTITUTION. Please make check payable to the West Virginia Division of Banking.
- D. The staff of the West Virginia Division of Banking will determine if an on-site examination or investigation of any national banks involved in the merger is needed and will make such arrangements as necessary for that examination/investigation.
- E. Documents which must accompany the application submitted to The West Virginia Division Of Banking for initial filing purposes:
 - 1. Executed and dated copy of Merger/Consolidation/Purchase Agreement with corporate seals, attestations, and acknowledgements attached or incorporated.
 - 2. Certification from legal counsel in substantially the following form: "I hereby certify that I have examined the agreement between the participating institutions dated _____ and related documents. In my opinion the agreement is legally sufficient and all applicable laws and regulations have been complied with in connection with its adoption."

3. Approving resolutions of boards of directors of constituent banks with date(s) of action indicated.
4. Approving resolution of board of directors of the bank holding company (if applicable) with date of action indicated.
5. Copy of constituent banks' Community Reinvestment Act Statements, including Notices. A discussion of the CRA records of each institution should be provided.
6. Additional information required to assess compliance with provisions of CRA. (See General Rules Implementing the West Virginia Community Reinvestment Act effective July 1, 1993.)
7. An analysis of proforma risk based capital and the resulting institution's ability to comply with federal regulations regarding minimum risk based capital levels.
8. A summary of the market value and book value of applicant and target bank's stock using the same financial statement date as presented in the application and the prior two year-end periods. Also, please include proforma book values to give the dilutive effects of the proposed transactions. This information is not necessary for corporate reorganizations of affiliated banks.
9. An organizational chart for both the applicant and target which reflects all direct and indirect subsidiaries of each organization. If nonbank subsidiaries exist, please briefly describe the nature of the subsidiary's business and include total assets and revenues for most recent operating period end.
10. Written notices to shareholders of constituent banks concerning shareholders' meetings called to consider the proposal.
11. A letter from applicant's legal counsel stating that the applicant has been informed of its duties and responsibilities in regard to compliance with both federal and state securities laws. The letter must state the specific filings which the applicant will make with federal and state securities regulators. Copies of any proxy or SEC S-4 or S-1 filings prepared in connection with the applicant's proposed transaction should be forwarded to the West Virginia Division Of Banking upon completion and filing with the appropriate securities regulator(s). If the transaction is exempt from registration requirements, the letter must provide an explanation for such exemption.
12. Tear sheet reflecting required federal publication of notice of application which includes the additional information required by the General Rules Implementing the West Virginia Community Reinvestment Act, effective July 1, 1993.

II. The West Virginia Division Of Banking will provide notice of the application through the "Official Notification" list mailed to all West Virginia banks and other interested parties. If there are no intervenors, a hearing is not required.

III. Submit to West Virginia Division Of Banking certified extracts of minutes of shareholders' meeting of constituent banks indicating date(s) of meeting(s), number of shares voted to approve, number of shares voted in dissent, number of shares abstaining, and number of shares voted in person and by proxy (if applicable).

If any dissenting shareholder exercises his rights pursuant to state or federal law, the West Virginia Division Of Banking should be advised as to the impact on the proposed transaction.

IV. After approval by the West Virginia Board of Banking and Financial Institutions and Federal Deposit Insurance Corporation or the Federal Reserve System, file articles of merger with the Secretary of State and the County Clerk or the County Commissioner in the county in which the principal office is located.

V. Approval of merger applications will ordinarily be conditioned upon the consummation of the merger no later than six months after approval, unless the West Virginia Board of Banking and Financial Institutions determines that extraordinary circumstances exist which warrant an extension. You are required to notify The West Virginia Division Of Banking of the date of consummation.

NOTE: It is the applicant's responsibility to indicate by marking "**Confidential**" any part of the application that is to be kept confidential. Such documents must be physically segregated from the application and **clearly marked**.

NOTE: Applications should be filed **90 DAYS** prior to the meeting of the West Virginia Board of Banking and Financial Institutions **if a national bank is merging into a state bank**. Otherwise, the application should be filed at least 45 days prior to the next meeting of the West Virginia Board of Banking and Financial Institutions.