

CONVERSION APPLICATION

I. APPLICANT INFORMATION

<i>Name of Applicant</i>		<i>Charter Number</i>	
<i>Street Address</i>			
<i>City</i>	<i>County</i>	<i>State</i>	<i>Zip Code</i>
<i>Website Address</i>			

II. TARGET INFORMATION

<i>Name of Target/Resultant Entity</i>		<i>Charter Number</i>	
<i>Street Address</i>			
<i>City</i>	<i>County</i>	<i>State</i>	<i>Zip Code</i>
<i>Website Address</i>			

III. CONTACT INFORMATION

<i>Name of Contact Person</i>		<i>Title</i>	
<i>Street Address</i>			
<i>City</i>	<i>County</i>	<i>State</i>	<i>Zip Code</i>
<i>Phone Number</i>		<i>Email Address</i>	

CONVERSION APPLICATION

The following information must be addressed in each Conversion Application:

1. Provide a summary of the proposed transaction. Include full details of the capital structure of the proposed state bank including number and types of authorized shares, par value, total capital stock account, surplus, and any other components of capital, including the ratio of adversely classified assets to capital.
2. The Banking Commissioner is required, pursuant to Section 32.502(b) of the TFC, to make certain findings. Address each of the required findings with respect to this application.
3. Provide a copy of the Plan of Conversion. Include an explanation of compliance with or non-applicability relating to rights of dissenting shareholders.
4. Provide evidence of the action taken by the Board of Directors and/or shareholders authorizing the conversion.
5. State the names and addresses of the Board of Directors and any principal shareholders of the proposed state bank.
6. State the position and name of the officers of the proposed state bank, and the position they now hold with the existing financial institution.
7. If approved for conversion, will this institution be a member of the Federal Reserve System? The FHLB? Have the appropriate notices/filings been made with the Federal agencies?
8. Complete and attach biographical report forms for individuals proposed as principal shareholders, directors, and executive officers.*
9. Complete and attach the personal financial statements for individuals proposed as principal shareholders, directors, and executive officers.*
10. Complete and attach Authority to Release Information forms for principal shareholders, directors, and executive officers.
11. List all existing bank branches, subsidiaries, LPO's, or other facilities owned or leased by the bank.
12. Has the institution been granted authority to operate a branch or other facility that is not yet opened? If so, provide details.
13. Does the institution exercise any powers or engage in any activities or hold any investments that are not currently authorized for a state bank? If so, provide details.
14. If the institution is owned by a holding company, provide detailed historical and financial information on the holding company.

15. Provide a list of any material legal or administrative proceedings involving the applicant or an officer, director or principal shareholder of the applicant.
16. Is the institution operating under any commitments, agreements, formal or informal, or orders issued by a regulatory agency? Are any such orders threatened? If so, provide full details.
17. Are there any assets or liabilities on the bank's books that will be held in violation of state statutes if the conversion is approved? If so, provide full details.
18. If there are any major changes anticipated in the bank's current Strategic Plan, include a copy of any proposed revisions.
19. Provide a copy of each filing regarding the proposed chartering conversion required by another governmental agency.
20. Pursuant to TFC 32.502(d)(1), submit a statement of the law governing the exit of the financial institution from the regulatory system applicable before the conversion and the terms of the transition into a state bank.
21. Provide a draft of the notice to be published indicating which newspaper(s) of general circulation it will appear in and on which date. (After publication, a publisher's affidavit and copy of the notice is required to be submitted.)
22. Provide a draft of the Certificate of Conversion.
23. Provide a draft of the legal opinion conforming with 7 TAC § 15.108 and § 15.109.
24. Prior to consummation, the [ACH Debit](#) Form must be submitted and may optionally be included at the time of application.

*In lieu of forms referenced above in items #8 and 9, the Interagency Biographical and Financial Report form may be submitted; however, it must be accompanied by the [Department Signature Form](#).

We, the Board of Directors of the proposed bank, solemnly swear that the statements and representations made in this application are true and correct to the best of our knowledge and belief, and that this application is made in good faith, with the purpose and intent that the affairs and business of the proposed bank shall be honestly conducted upon good and sound business principles.

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

STATE OF _____

COUNTY OF _____

On this _____ day of _____, 20____, before me, a Notary Public in and for said County, of said State, personally appeared:

known to me to be the persons whose names are subscribed on the foregoing document and being by me first duly sworn, declared that the statements contained in this application are true and correct.

(SEAL)

(Notary Public)

Date

Banking Commissioner of Texas
2601 North Lamar Boulevard
Austin, Texas 78705-4294

Dear Commissioner:

Please accept this letter as my certified statement that all stockholders at this time of conversion into a state bank shall be issued one share of the common or preferred stock of (State Bank) for each share of the common or preferred stock of (National Bank) owned by them on the date the charter of (State Bank) is granted.

Sincerely,

President
National Bank