

**APPLICATION
TO THE DEPARTMENT OF BANKING
AND CONSUMER FINANCE**

STATE OF MISSISSIPPI

**FOR AUTHORITY TO ORGANIZE A BANK PURSUANT TO
SECTIONS 81-3-5, 81-3-7, 81-3-9, 81-3-11, AND 81-3-13,
MISSISSIPPI CODE OF 1972, ANNOTATED AND AMENDED**

Name of Proposed Bank

Proposed Location (Exact Street Address)

(City or Town)

(County)

(Zip Code)

**Application fee of \$2,500 payable to
Department of Banking and Consumer Finance
is attached.**

GENERAL INFORMATION AND INSTRUCTIONS

Prior to preparing and submitting an application, it is suggested that the Applicants read carefully and familiarize themselves with Sections 81-1-3, 81-3-5, 81-3-7, 81-3-11 and 81-3-13, Mississippi Code of 1972, Annotated and Amended, which govern the processing of applicants for new banks.

Prior to submitting application, incorporators shall compare the proposed name with the names of existing financial institutions in Mississippi to determine that the proposed name is not so similar as to cause confusion with the names of existing financial institutions in Mississippi.

If more space is needed, please attach additional sheets.

Submit the original and six (6), all hand signed, of all parts of the application in 8.5 X 11 format to:

**Commissioner
Department of Banking and Consumer Finance
State of Mississippi
Post Office Box 12129
Jackson, Mississippi 39236-2129**

NAME OF INCORPORATORS

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

(hereinafter referred to as Applicants), hereby apply to the Department of Banking and consumer Finance (hereinafter referred to as Department), pursuant to Section 81-3-13, Mississippi Code of 1972, Annotated and Amended, for authority to organize and operate

(Name of Proposed Bank)
(hereinafter referred to as bank)

The following Exhibits are submitted as part of this application:

- EXHIBIT A – Public Convenience and Necessity
- EXHIBIT B – Reasonable Promise of Successful Operation
- EXHIBIT C – Capital Structure
- EXHIBIT D – Directors and Officers
- EXHIBIT E – Banking House Quarters
- EXHIBIT F – Proposed Articles of Incorporation

CERTIFICATE

The applicants hereby certify that the information contained in this application is true and complete to the best of their knowledge and belief; further, the Applicants accept the responsibility of informing the Department promptly of any changes in the information presented herein.

Executed this _____ day of _____ 20_____.

(Name)

(Signature)

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

If the Bank is to be controlled by a registered bank holding company, submit the signature and title of the holding company representative.

(Signature)

(Title)

(Holding Company)

Note: All incorporators must sign the Certificate.

EXHIBIT A

PUBLIC CONVENIENCE AND NECESSITY
(Section 81-3-13 (1), MS Code of 1972, Annotated and Amended)

On a separate sheet of paper:

1. Identify the Primary Service Area (hereinafter referred to as PSA) and describe in detail how this area was delineated.
2. Describe in detail, to fullest extent available from public information, the following for each Banking office in and near the PSA:
 - (a) The breadth of services offered by the above institutions.
 - (b) The interest rates charged by them on various types of loans.
 - (c) The service charges assessed by them on demand deposit accounts, if offered.
 - (d) Their charges for other services, such as safe deposit boxes.
 - (e) Their hours of business, including drive-in and automated facilities.
 - (f) In general, note any substantial deficiencies of services offered in or near the PSA.
2. Describe the generally-known nature and extent of any affiliation, with each other, of existing banks located in and near the PSA.
3. Relating to Item 2 above, describe how Bank will compare to existing financial institutions insofar as breadth of services, prices, interest rates, and hours are concerned. In particular, specify any new services which will be offered by Bank that are not already offered at all, or to an adequate degree, by financial institutions in or near the PSA.

EXHIBIT B

REASONABLE PROMISE OF SUCCESSFUL OPERATION

(Section 81-3-13(1), Mississippi Code of 1972, Annotated and Amended)

1. Describe the business activity in and near the PSA, indicating the types of commercial and industrial facilities operating in the area. Indicate the source of information in every instance.
2. Describe in detail new and planned business developments in and near the PSA, the current status of such projects, and their anticipated completion dates. Indicate the source of information in every instance.
3. Where, in your opinion, do the PSA residents and businesses presently bank? Do you feel that many would switch to Bank and, if so, why?
4. What will be the main source of Bank's deposits base? Why do you feel that local conditions assure reasonable promise of successful operation for Bank as well as for the banks already established in the area?
5. Estimate the deposit projections for Bank during each of the first three years of operation. Explain in detail the methods by which such projections were made, including the underlying assumptions.
6. What are the earnings projections for Bank during each of the first three years of operation? Explain in detail the methods by which such projections were made, including the underlying assumptions.

In addition to the information requested above, the Department has prepared tables with instructions (attached hereto) to be used for submitting certain data that are needed for the evaluation of de novo bank applications with regard to Reasonable Promise of Successful Operation.

The applicant is in no way limited to the data these tables will provide but may submit, as a supplement, any information that it feels would be pertinent.

EXHIBIT B - TABLE 1 - BANK DEPOSIT DATA

Columnar headings are self-explanatory except Type Office - show MO for main office and BO for branch office. Copy as many pages as you will need. Caption and list in the following order:

- (1) Bank offices in PSA - Opened (sub-total deposits in PSA)
- (2) County (Show total deposits for County as comparison)
- (3) Mississippi (Show total deposits for State for comparison)
- (4) Bank offices in PSA - Approved/Unopened (no deposits)
- (5) Bank offices in PSA - Pending Approval/Denial (no deposits)

EXHIBIT B - TABLE 2 - POPULATION DATA

- (1) Based on the Last Federal Census

On this exhibit, list population figures for all areas and the latest year for which population estimates are available for the above sources. PSA population may have to be estimated; if so, indicate methodology used. Blank lines are to be used to list municipalities that are wholly or partially in the PSA. Municipalities that are listed in date source that are not at least partially within PSA should not be included.

EXHIBIT B - TABLE 3 - INCOME DATA

A. Per Capita Personal Income

Submit Per Capita Personal Income for the last five (5) years for state and county.

B. Average (Mean) Family Income

Submit the latest average (mean) family income for the state, county and PSA cited in the latest U.S. Census. Please indicate year of census.

C. Distribution of Family Income

For the state, county and PSA, show distribution of family income during the year cited in the latest U.S. Census. Please indicate year of census.

EXHIBIT B - TABLE 4- UNEMPLOYMENT RATES

Submit average annual unemployment rates for the state and county for the last five (5) years. Also submit state and county data for the months of the current year.

EXHIBIT B - TABLE 5 - NONRESIDENTIAL ACTIVITY - PSA

List major nonresidential activity such as shopping centers and malls, (under type of activity, show larger tenants - supermarkets, department stores, etc.), colleges, hospitals, strip-type business centers, industrial plants, etc. Data source: Applicant's Field Survey.

EXHIBIT B TABLE 2

POPULATION DATA

Proposed Name: _____ **page** _____ **of** _____

Area		Date ____	Date ____	<u>Average Annual Percent Change</u>	
Mississippi					
County					
Unincorporated					
PSA					
Municipalities					

EXHIBIT B – TABLE 4

Proposed Name: _____ page _____ of _____

UNEMPLOYMENT RATES

ANNUAL UNEMPLOYMENT RATES

Date	_____	_____	_____	_____	_____
County	%	%	%	%	%
State					

UNEMPLOYMENT RATES FOR MONTHS OF CURRENT YEAR _____

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
County												
State												

EXHIBIT C

CAPITAL STRUCTURE

(Section 81-3-11, Mississippi Code of 1972, Annotated and Amended)

ON A SEPARATE SHEET OF PAPER:

1. (a) Describe the proposed capital structure of Bank and explain why, in your opinion, such capital structure is adequate.

(b) Discuss the purpose for which shares are to be authorized but unissued.
2. (a) Attach a list of all of the subscribers to the capital stock of Bank, showing name, place of residence (city and state only), and number of shares subscribed to. Any changes in proposed subscribers shall be reported promptly to the Department and in any event, within 30 days or prior to opening, whichever occurs first.

(b) Attach a blank copy of the stock subscription agreement form, which will be used to obtain stock subscriptions. The form should contain a statement, under oath, that the subscriber subscribes in good faith in his/her own right and not as agent or attorney for any undisclosed person.
3. (a) What percentage of ownership will be held directly or indirectly by each of the proposed directors and officers? (In answering this question, include the actual and beneficial ownership of family members, and affiliated or controlled business organizations, partnerships, trusts or corporations.)

(b) What percentage will be held by:

(1) Persons residing in the PSA:
(2) city; and
(3) The county, (excluding those in (1) and (2),

in which Bank is proposed to be located?
4. Are any of the proposed stockholders of five percent or more of Bank 's stock, other than directors and officers, connected with any other financial institution in Mississippi by way of employment, directorship or ownership? If so, describe in detail such relationship.
5. Indicate if any of the proposed stockholders, other than directors or officers, are elected or appointed public officials. If so, describe such position and indicate the term of office.

EXHIBIT D

DIRECTORS AND OFFICERS

(Section 81-3-9, Mississippi Code of 1972, Annotated and Amended)

1. Proposed Directors:

Name and Address	Occupation	Number of Shares	% of Total Shares
TOTALS			

2. Major Stock Subscribers (subscribers (other than directors or officers) to 5% or more of the total proposed issue of stock):

Name and Address	Occupation	Number of Shares	% of Total Shares
TOTALS			

3. Active Management: (Proposed Chief Executive Officer and proposed Operations Officers, if known):

Name, Address and Proposed Position	Occupation	Number of Shares	% of Total Shares

4. List the qualifications of the proposed directors and officers to operate a bank successfully.

EXHIBIT E

BANKING HOUSE QUARTERS

(Section 81-5-87, Mississippi Code of 1972, Annotated and Amended)

1. Proposed investment in fixed assets; type of occupancy (Check all which apply to indicate both type of quarters at opening and contemplated permanent quarters).

Permanent quarters leased (complete 2 and 3 below)
 Permanent quarters owned (complete 2 and 4 below)
 Temporary quarters (complete 5 below)

2. Description of Premises:

Type of Construction of Building

Details of Building Interior (Mention all employee facilities and size of lobby area)

3. Premises Leased:

<u>Name of Owner</u>	<u>Cost or Appraised Value of Premises</u>	<u>Insurance to be Carried</u>
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<u>Cost and Description of Leasehold Improvements</u>	<u>Annual Rental</u>
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Terms of Lease (include renewal options)

Attach a copy of the lease agreement.

4. Premises Owned:

(1) Existing Structure -

Name of Seller

Date Constructed

Cost to Bank

Cost and Description of Necessary Repairs and Alterations

Assessed
Valuation

Insurance to
be carried

Estimated Annual
Depreciation

Depreciation
Method

(2) Proposed Structure - (in estimating cost of construction, include architect=s fee, site preparation, paving and landscaping)

Name of Seller of Lot

Cost of Lot to Bank

Construction Cost

Estimated
Assessed
Valuation

Insurance to
be carried

Estimated Annual
Depreciation

Depreciation
Method

Is the Bank structure to be designed to permit additions to the building at a later date?

5. Temporary Quarters:

Name of Owner

Cost or Monthly Rental

If the use of temporary quarters is contemplated, attach supplemental schedule to provide the following additional information:

- (1) Precise location of temporary quarters (street number, if one is assigned, or other identification) and post office should be shown. If the site of the temporary quarters is the same property acquired for the permanent building, this fact should be included. If the site of the temporary quarters is other than the permanent building site, furnish (a) distance from permanent to temporary site and (b) details of lease or rental arrangement.
- (2) If temporary quarters are to be purchased, include the cost and the approximate resale value.
- (3) If temporary quarters are to be leased, include the identity of the lessor, the monthly rental, and whether a minimum lease is involved.
- (4) Estimated time required for preparing temporary quarters for use and approximate time temporary quarters will be used.

6. Do proposed fixed asset expenditures conform to statutory limitations?
____ YES ____ NO If No, describe the deficiency and management's plans to correct it.

7. Insider Transactions:

If property is to be purchased or leased from a director, officer, stockholder of bank or any affiliate of said bank, or from an affiliate or controlled company of any officer, director or stockholder, state the name of such person or company and describe the details of the proposed transaction.

EXHIBIT F

**PROPOSED ARTICLES OF INCORPORATION
(Section 81-3-7, Mississippi Code of 1972, Annotated and Amended)**

1. Enclose original and four copies, all hand signed, of the proposed Articles of Incorporation.