Press Releases

Treasury Releases Capital Purchase Program Term Sheet for Mutual Banks

April 14, 2009
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Washington– The U.S. Department of the Treasury today released a term sheet for qualifying financial institutions (QFIs) applying to the Capital Purchase Program (CPP) that are mutual banks or savings associations. Mutual banks are depository institutions that are owned by their depositors. This term sheet provides for issuance of debt by mutual banks that do not have holding companies.

The application deadline for mutual banks is May 14, 2009, and all applications must be submitted to the appropriate federal banking agency. QFIs should use the standardized CPP application form, which is available on the public web sites of each federal banking agency and on .

On April 7, 2009, Treasury released three other CPP term sheets for mutual holding companies, and today's issuance brings the total number of CPP mutual term sheets to four. The first term sheet provided for issuance of preferred stock at publicly-traded subsidiary holding companies. The second term sheet provided for issuance of preferred stock at privately held subsidiary holding companies. The third term sheet provided for issuance of debt by top-tier mutual holding companies that do not have subsidiary holding companies. The fourth term sheet issued today provides for issuance of debt by mutual banks that do not have holding companies.

Through the CPP, Treasury has invested in 547 institutions, including small, community, regional, and national banks, as well as Community Development Financial Institutions in 48 states, Puerto Rico, and the District of Columbia. The largest investment was $25 billion, and the smallest investment was $301,000. Treasury established the CPP to stabilize the financial system by providing capital to viable banks, enabling them to continue lending to consumers and businesses during this unprecedented crisis. Results of Treasury's monthly Lending Snapshots illustrate that the largest recipients of CPP investments have continued to lend since Treasury launched the CPP in October 2008, despite significant headwinds. Lending levels would likely have been much lower were it not for the additional capital provided by Treasury through the CPP.

Treasury has designed the CPP to encourage participation by a broad range of financial institutions, which are diverse in terms of size, business focus, customer base, geographic coverage and product and service offerings. This approach allows Treasury to reach as many communities across the country as possible, enabling faster economic recovery. In addition to the four mutual institution term sheets, Treasury has issued program terms for publicly-held institutions, privately-held institutions, and S corporations, touching almost every banking market in the country. The federal banking agencies are evaluating all submitted CPP applications and continue to send qualifying applications to Treasury for approval.

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TARP Capital Purchase Program
(Mutual Banks and Savings Associations)

Senior Securities

Summary of Senior Securities Terms

Issuer:	Qualifying Financial Institution ("QFI") means any U.S. bank or U.S. savings association organized in mutual form and not controlled by a Bank Holding Company ("BHC") or Savings and Loan Company ("SLHC"). QFI shall not mean any institution that is controlled by a foreign bank or company. For purposes of this program, "U.S. bank", "U.S. savings association", "U.S. BHC" and "U.S. SLHC" means a bank, savings association, BHC or SLHC organized under the laws of the United States or any State of the United States, the District of Columbia, any territory or possession of the United States, Puerto Rico, Northern Mariana Islands, Guam, American Samoa, or the Virgin Islands. **The United States Department of the Treasury will determine the eligibility and allocation for QFIs after consultation with the appropriate Federal banking agency.**
Initial Holder:	United States Department of the Treasury (the "UST").
Size:	QFIs may sell Senior Securities (defined below) to the UST subject to the limits and terms described below. Each QFI may issue Senior Securities with an aggregate principal amount equal to not less than 1% of its risk-weighted assets and not more than the lesser of (i) $25 billion and (ii) 3% of its risk-weighted assets.
Security:	Subordinated Debentures ("Senior Securities"); it being understood that the Senior Securities do not constitute a class of stock. Each note representing a Senior Security shall be in the principal amount of $1,000.
Ranking:	Senior to mutual capital certificates and any other capital instruments authorized under state law. Senior Securities must be expressly subordinated to claims of depositors and to the QFI's other debt obligations to its general and secured creditors, unless such debt obligations are explicitly made pari passu or subordinated to the Senior Securities.
Regulatory Capital Status:	Tier 2.
Maturity:	30 years.

Interest Rate: The Senior Securities will pay cumulative interest at a rate of 7.7% per annum until the fifth anniversary of the date of this investment and thereafter at a rate of 13.8% per annum.[1] Interest will be payable quarterly in arrears on February 15, May 15, August 15 and November 15 of each year (each, an "Interest Payment Date").

Redemption: All redemptions of the Senior Securities shall be at 100% of the issue price, plus any accrued and unpaid Interest. All redemptions shall be subject to the approval of the QFI's appropriate Federal banking agency.

Restrictions on Dividends: Subject to certain exceptions, for as long as any Senior Securities are outstanding, no dividends may be declared or paid on any shares of equity, mutual capital certificates, or other capital instruments authorized under state law, nor may the QFI repurchase or redeem any shares of equity, mutual capital certificates, or other capital instruments authorized under state law, unless all accrued and unpaid Interest for all past interest periods on the Senior Securities is fully paid.

Further Restrictions on Dividend Increases: UST's consent shall be required for any increase in regularly paid dividends per share, capital certificate, or other capital instruments authorized under state law, until the third anniversary of the date of this investment. After the third anniversary and prior to the tenth anniversary, the UST's consent shall be required for any extraordinary dividends on deposit accounts (dividends in excess of the stated rate or that are in excess of the amount resulting from the stated method of calculating the rate on such an account), or to increase aggregate dividends per share, capital certificate or other capital instrument authorized under state law where the resulting aggregate dividend per share, capital certificate, or other capital instruments authorized under state law is greater than 103% of the prior year's dividend rate per annum; provided that no increase in dividends may be made as a result of any dividend paid in common shares capital certificates, or other capital instruments authorized under state law, any stock split or similar transaction. The restrictions in this paragraph no longer apply if the Senior Securities and Warrant Securities (as defined below) have been redeemed in whole or the UST has transferred all of the Senior Securities and Warrant Securities to unaffiliated third parties, which for this purpose does not include a securitization vehicle or investment pool in which the UST is an initial sponsor or participant so long as UST has an economic interest in such vehicle or pool ("Third Parties").

[1] Senior Securities have 7.7% and 13.8% interest rates which equate to after-tax effective rates (assuming a 35% tax rate) of 5% and 9%, respectively, the same rates applied to securities issued by other classes of institutions participating in the CPP. It is understood that the 7.7% and 13.8% interest rates to achieve after-tax parity with other classes of institutions participating in the CPP should not apply to mutual institutions that are tax-exempt.

Restriction on Acceleration: Principal and accrued interest may only become immediately due and payable (i.e., accelerate) upon the receivership of the QFI.

Repurchases: The UST's consent shall be required for any repurchases of equity securities, mutual capital certificates, or other capital instruments authorized under state law (other than repurchases of common shares, mutual capital certificates, or other capital instruments authorized under state law in connection with any benefit plan in the ordinary course of business consistent with past practice or relevant income tax laws) until the tenth anniversary of the date of this investment unless prior to such tenth anniversary the Senior Securities and Warrant Securities are redeemed in whole or the UST has transferred all of the Senior Securities and Warrant Securities to third parties. In addition, there shall be no repurchases of equity, capital certificates, or other capital instruments authorized under state law if prohibited as described above under "Restrictions on Dividends".

Other Dividend and Repurchase Restrictions: From and after the tenth anniversary of the date of this investment, the QFI shall be prohibited from paying dividends or repurchasing any equity securities, mutual capital certificates, or other capital instruments authorized under state law, until all Senior Securities and Warrant Securities are redeemed or repurchased in whole.

Voting Rights: Senior Securities shall be nonvoting, other than class voting rights on (i) any authorization or issuance of any equity securities, mutual capital certificates, or other capital instruments authorized under state law which purport to rank senior to the Senior Securities, (ii) any amendment to the rights of Senior Securities, or (iii) any merger, exchange or similar transaction which would adversely affect the rights of the Senior Securities, subject to State Restrictions (as defined below), if any.

If interest on the Senior Securities is not paid in full for six interest periods, whether or not consecutive, the Senior Securities holders will have the right to elect 2 directors to the QFI, subject to State Restrictions, if any. The right to elect directors to the QFI will end when full interest has been paid for all prior interest periods.

"State Restrictions" shall mean, in the case of state-chartered QFIs, any state law restrictions on voting rights of holders of Senior Securities that cannot be modified, waived or otherwise removed by the appropriate state authorities.

Transferability: Senior Securities will not be subject to any contractual restrictions on transfer or the restrictions of any stockholders' agreement or similar arrangement that may be in effect at the time of the Senior Security investment or thereafter; provided that the UST and its transferees shall use its commercially reasonable efforts not to effect any transfer of the Senior Securities which would require the QFI to become subject to the periodic reporting requirements of Section 13 or 15(d) of the Exchange Act.

If the QFI otherwise becomes subject to such reporting requirements, the QFI will file a shelf registration statement covering the Senior Securities as promptly as practicable and, if necessary, shall take all action required to cause such shelf registration statement to be declared effective as soon as possible. In addition, the UST and its transferees shall have piggyback registration rights for the Senior Securities. Subject to the above, the QFI shall take all steps as may be reasonably requested to facilitate the transfer of the Senior Securities.

Executive Compensation, Transparency, Accountability, Monitoring: The QFI and its covered officers and employees shall agree to comply with the rules, regulations and guidance of the UST with respect to executive compensation, transparency, accountability and monitoring, as published and in effect at the time of the investment closing.

Affiliate Transactions: For as long as the UST holds any debt or equity securities (including the Senior Securities) of the QFI, the QFI and its subsidiaries will not enter into a transaction with related persons (within the meaning of Item 404 under the SEC's Regulation S-K) unless such transaction is (i) on terms no less favorable to the QFI and its subsidiaries than could be obtained from an unaffiliated third party, and (ii) has been approved by the audit committee or a comparable body of independent directors of the QFI, or if there are no "independent directors," the board of directors of the QFI but only if the board of directors maintains written documentation supporting its determination that the transaction meets the requirements of (i) of this paragraph.

<u>Summary of Warrant Terms</u>

Warrant: In consideration of the investment in Senior Securities and other consideration in connection with its investment, UST will receive warrants to purchase, upon net settlement, a number of additional Senior Securities (the "Warrant Securities") in an amount equal to 5% of the amount of Senior Securities purchased on the date of investment, subject to reduction as set forth below under "Reduction". The UST intends to immediately exercise the warrants. The exercise price for the warrants shall be $0.01 per note representing a Warrant Security.

Term: 10 years (it being understood the Warrant Securities themselves will have a maturity of 30 years).

Exercisability: Immediately exercisable, in whole or in part.

Warrant Securities: The Warrant Securities shall have the same rights, preferences, privileges, voting rights and other terms as the Senior Securities, except that (1) the Warrant Securities will pay Interest at a rate of 13.8% per annum and (2) the Warrant Securities may not be redeemed until all the Senior Securities have been redeemed.

Transferability: The warrants will not be subject to any contractual restrictions on transfer or the restrictions of any stockholders' agreement or similar arrangement that may be in effect at the time of this investment or thereafter; provided that the UST shall not effect any transfer of the warrants or underlying Warrant Securities which would require the QFI to become subject to the periodic reporting requirements of Section 13 or 15(d) of the Exchange Act.

If the QFI otherwise becomes subject to the periodic reporting requirements of Section 13 or 15(d) of the Exchange Act, the QFI will file a shelf registration statement covering the warrants and the Warrant Securities underlying the warrants as promptly as practicable and, if necessary, shall take all action required to cause such shelf registration statement to be declared effective as soon as possible. In addition, the UST and its transferees shall have piggyback registration rights for the warrants and the Warrant Securities underlying the warrants. Subject to the above, the QFI shall take all steps as may be reasonably requested to facilitate the transfer of the warrants or the Warrant Securities.

Reduction: In the event that the QFI has received aggregate gross proceeds of not less than 100% of the issue price of the Senior Securities from one or more Qualified Equity Offerings (as defined below) on or prior to December 31, 2009, the number of Senior Securities underlying the warrants then held by the UST shall be reduced by a number of Senior Securities equal to the product of (i) the number of Senior Securities originally underlying the warrants (taking into account all adjustments) and (ii) 0.5.

"Qualified Equity Offering" shall mean the sale by the QFI after the date of this investment of economic instruments or securities qualifying as capital of at least equivalent rank as the Senior Securities.

PROCESS-RELATED FAQS FOR THE CAPITAL PURCHASE PROGRAM

MUTUAL BANK FAQS

Q: What is the deadline for a mutual bank or savings association (mutual bank) to apply to the Capital Purchase Program (CPP)?

A: The application deadline is 5:00 p.m., Eastern Time, May 14, 2009.

Q: How does a mutual bank know if it is a Qualifying Financial Institution (QFI) eligible to participate in the Treasury Department's CPP?

A: A mutual bank should review the eligibility requirements as described in the CPP term sheet and related documents (which are available at http://www.financialstability.gov/roadtostability/CPPappdocs.html). In addition, a QFI should contact its appropriate Federal banking agency.

Q: What is the difference between this term sheet for mutual banks and the three term sheets for mutual holding companies that Treasury issued on April 7, 2009?

A: Treasury has now issued four term sheets for mutual organizations. This mutual bank term sheet provides for issuance of debt by banks that do not have holding companies. Separately, Treasury has issued three other term sheets for mutual bank holding companies: (i) the first provides for issuance of preferred stock at publicly-traded subsidiary holding companies; (ii) the second provides for issuance of preferred stock at privately held subsidiary holding companies; and (iii) the third provides for issuance of debt by top-tier mutual holding companies that do not have subsidiary holding companies.

Q: What is the regulatory capital treatment for capital raised by mutual banks under this program?

A: Tier 2.

Q: How does a QFI apply to the Treasury Department's CPP?

A: A QFI must submit an application to the appropriate Federal banking agency. Each Federal banking agency has provided information on its public web site regarding where an application for participation in the CPP should be directed. This information is available at:
1. For the Federal Deposit Insurance Corporation: www.fdic.gov
2. For the Federal Reserve: www.federalreserve.gov
3. For the Office of the Comptroller of the Currency: www.occ.treas.gov
4. For the Office of Thrift Supervision: www.ots.treas.gov

Q: Is the application for a mutual bank different from the standard CPP application form?

A: No, all applications used by QFIs to apply for participation in the CPP are the same standardized form. This application form is available on the public web sites of each Federal banking agency referenced above and on Treasury's website at http://www.financialstability.gov. The Federal banking agencies, working in consultation with the Treasury Department, developed a common application form that may be used by all QFIs seeking to participate in the CPP. All inquiries regarding preparation of the application should be directed to the appropriate Federal banking agency for the applicant.

Q: Must an institution re-apply if it has already submitted an application?

A: No. It is not necessary to reapply if your applicable Federal banking agency has your application. Note, however, the amount of Treasury's investment must be between 1% and 3% of an institution's risk weighted assets based on information contained in the latest quarterly supervisory report filed by the applicant with its appropriate Federal banking agency, updated to reflect events materially affecting the financial condition of the applicant occurring since the filing of such report.

Q: When will the definitive agreements be available?

A: Treasury expects the definitive agreements to be available within a few weeks of the publication of the term sheet.

Q. Will applications filed by QFIs or the names of applying QFIs be released publicly?

A. No. The CPP applications are confidential proposals submitted for review by each institution's appropriate Federal banking agency. Applications which are denied or withdrawn will not be disclosed. However, Treasury will provide electronic reports detailing any completed transactions, as required by the Emergency Economic Stabilization Act of 2008, within 48 hours.

Q: Who should a QFI contact if they have questions regarding how to file an application or the status of a submitted application?

A: The QFI should contact its appropriate Federal banking agency using the contact information provided on the above referenced agency web site.

Q: Will a QFI receive verification that its application has been filed with its appropriate Federal banking agency?

A: Yes.

Press Releases

Updated March 2, 2009

Treasury Releases Capital Purchase Program Term Sheets
for Mutual Holding Companies

April 7, 2009

Washington – The U.S. Department of the Treasury today released three term sheets for qualifying financial institutions (QFIs) applying to the Capital Purchase Program (CPP) that are bank or savings and loan holding companies in mutual organization or their stock holding company subsidiaries.

The first term sheet provides for issuance of preferred stock at publicly-traded subsidiary holding companies. The second term sheet provides for issuance of preferred stock at privately held subsidiary holding companies. The third term sheet provides for issuance of debt by top-tier mutual holding companies that do not have subsidiary holding companies. Treasury has also released a set of frequently asked questions and answers about these three term sheets.

The application deadline is May 7, 2009, and all applications must be submitted to the appropriate federal banking agency. QFIs should use the standardized CPP application form, which is available on the public web sites of each federal banking agency and on

Through the CPP, Treasury has invested in 542 institutions, including small, community, regional, and national banks, as well as Community Development Financial Institutions in 48 states, Puerto Rico, and the District of Columbia. The largest investment was $25 billion, and the smallest investment was $301,000. Treasury established the CPP to stabilize the financial system by providing capital to healthy banks, enabling them to continue lending to consumers and businesses during this unprecedented crisis. Results of Treasury's monthly Lending Snapshots illustrate that the largest recipients of CPP investments have continued to lend since Treasury launched the CPP in October 2008, despite significant headwinds. Lending levels would likely have been much lower were it not for the additional capital provided by Treasury through the CPP.

Treasury has designed the CPP to encourage participation by a broad range of financial institutions, which are diverse in terms of size, business focus, customer base, geographic coverage and product and service offerings. This approach allows Treasury to reach as many communities across the country as possible, enabling faster economic recovery. In addition to today's issuance of three term sheets, Treasury has already issued program terms for publicly-held institutions, privately-held institutions and S corporations, touching almost every banking market in the country. The federal banking agencies are evaluating all submitted CPP applications and continue to send qualifying applications to Treasury for approval.

REPORTS

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TARP Capital Purchase Program
(Public Holding Companies
with a Mutual Top-Tier Parent)

Senior Preferred Stock and Warrants

Summary of Senior Preferred Terms

Issuer: Qualifying Financial Institution ("QFI") means any Bank Holding Company ("BHC"), or Savings and Loan Holding Company ("SLHC") that (i) engages solely or predominately in activities permissible for financial holding companies under relevant law (ii) is publicly traded[1] and (iii) is directly owned and controlled by a BHC or SLHC that is organized in mutual form (a "Mutual HC"). Separate Term Sheets are being issued for BHCs and SLHCs that are directly owned and controlled by a Mutual HC but are not publicly traded, and for Mutual HCs that do not directly own and control any BHC or SLHC. The term QFI shall not mean any institution that is controlled by a foreign bank or company. For purposes of this program, "U.S. bank", "U.S. savings association", "BHC" and "SLHC" means a bank, savings association, BHC or SLHC organized under the laws of the United States or any State of the United States, the District of Columbia, any territory or possession of the United States, Puerto Rico, Northern Mariana Islands, Guam, American Samoa, or the Virgin Islands. **The United States Department of the Treasury will determine the eligibility and allocation for QFIs after consultation with the appropriate Federal banking agency.**

Initial Holder: United States Department of the Treasury (the "UST").

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[1] For the purposes of this term sheet "publicly traded" means a company (1) whose securities are traded on a national securities exchange and (2) required to file, under the federal securities laws, periodic reports such as the annual (Form 10-K) and quarterly (Form 10-Q) reports with either the Securities and Exchange Commission or its primary federal bank regulator. A company may be required to do so by virtue of having securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which applies to all companies that are traded on an exchange or that have $10 million in assets and 500 shareholders of record or Section 15(d) of the Exchange Act which requires companies that have filed a registration statement under the Securities Act of 1933, as amended, and have 300 or more security holders of record of the registered class to file reports required under Section 13 of the Exchange Act, e.g., periodic reports.

Size: QFIs may sell preferred to the UST subject to the limits and terms described below.

Each QFI may issue an amount of Senior Preferred equal to not less than 1% of its risk-weighted assets and not more than the lesser of (i) $25 billion and (ii) 3% of its risk-weighted assets.

Security: Senior Preferred, liquidation preference $1,000 per share. (Depending upon the QFI's available authorized preferred shares, the UST may agree to purchase Senior Preferred with a higher liquidation preference per share, in which case the UST may require the QFI to appoint a depositary to hold the Senior Preferred and issue depositary receipts.)

Ranking: Senior to common stock and pari passu with existing preferred shares other than preferred shares which by their terms rank junior to any existing preferred shares.

Regulatory Capital Status: Tier 1.

Term: Perpetual life.

Dividend: The Senior Preferred will pay cumulative dividends at a rate of 5% per annum until the fifth anniversary of the date of this investment and thereafter at a rate of 9% per annum. Dividends will be payable quarterly in arrears on February 15, May 15, August 15 and November 15 of each year.

Redemption: All redemptions of the Senior Preferred shall be at 100% of the issue price, plus any accrued and unpaid dividends and shall be subject to the approval of the QFI's primary federal bank regulator.

Following the redemption in whole of the Senior Preferred held by the UST, the QFI shall have the right to repurchase any other equity security of the QFI held by the UST at fair market value.

Restriction on Dividends: For as long as any Senior Preferred is outstanding, no dividends may be declared or paid on junior preferred shares, preferred shares ranking pari passu with the Senior Preferred, or common shares (other than in the case of pari passu preferred shares, dividends on a pro rata basis with the Senior Preferred), nor may the QFI repurchase or redeem any junior preferred shares, preferred shares ranking pari passu with the Senior Preferred or common shares, unless all accrued and unpaid dividends for all past dividend periods on the Senior Preferred are fully paid.

Common dividends: The UST's consent shall be required for any increase in common dividends per share until the third anniversary of the date of this investment unless prior to such third anniversary the Senior Preferred is redeemed in whole or the UST has transferred all of the Senior Preferred to third parties.

Repurchases: The UST's consent shall be required for any share repurchases (other than (i) repurchases of the Senior Preferred and (ii) repurchases of junior preferred shares or common shares in connection with any benefit plan in the ordinary course of business consistent with past practice) until the third anniversary of the date of this investment unless prior to such third anniversary the Senior Preferred is redeemed in whole or the UST has transferred all of the Senior Preferred to third parties. In addition, there shall be no share repurchases of junior preferred shares, preferred shares ranking pari passu with the Senior Preferred, or common shares if prohibited as described above under "Restrictions on Dividends".

Voting Rights: The Senior Preferred shall be non-voting, other than class voting rights on (i) any authorization or issuance of shares ranking senior to the Senior Preferred, (ii) any amendment to the rights of Senior Preferred, or (iii) any merger, exchange or similar transaction which would adversely affect the rights of the Senior Preferred.

If dividends on the Senior Preferred are not paid in full for six dividend periods, whether or not consecutive, the Senior Preferred will have the right to elect 2 directors. The right to elect directors will end when full dividends have been paid for four consecutive dividend periods.

Transferability: The Senior Preferred will not be subject to any contractual restrictions on transfer. The QFI will file a shelf registration statement covering the Senior Preferred as promptly as practicable after the date of this investment and, if necessary, shall take all action required to cause such shelf registration statement to be declared effective as soon as possible. The QFI will also grant to the UST piggyback registration rights for the Senior Preferred and will take such other steps as may be reasonably requested to facilitate the transfer of the Senior Preferred including, if requested by the UST, using reasonable efforts to list the Senior Preferred on a national securities exchange. If requested by the UST, the QFI will appoint a depositary to hold the Senior Preferred and issue depositary receipts.

Executive Compensation Transparency, Accountability, Monitoring: As a condition to the closing of this investment, the QFI and its covered officers and employees shall agree to comply with the rules, regulations and guidance of the UST with respect to executive compensation, transparency, accountability and monitoring, as published and in effect at the time of the investment closing.

Summary of Warrant Terms

Warrant: The UST will receive warrants to purchase a number of shares of common stock of the QFI having an aggregate market price equal to 15% of the Senior Preferred amount on the date of investment, subject to reduction as set forth below under "Reduction". The initial exercise price for the warrants, and the market price for determining the number of shares of common stock subject to the warrants, shall be the market price for the common stock on the date that the UST Office of Financial Stability's investment committee recommends approval of the Senior Preferred investment to the Assistant Secretary for Financial Stability (calculated on a 20-trading day trailing average), subject to customary anti-dilution adjustments. The exercise price shall be reduced by 15% of the original exercise price on each six-month anniversary of the issue date of the warrants if the consent of the QFI stockholders described below has not been received, subject to a maximum reduction of 45% of the original exercise price.

Term: 10 years.

Exercisability: Immediately exercisable, in whole or in part

Transferability: The warrants will not be subject to any contractual restrictions on transfer; provided that the UST may only transfer or exercise an aggregate of one half of the warrants prior to the earlier of (i) the date on which the QFI has received aggregate gross proceeds of not less than 100% of the issue price of the Senior Preferred from one or more Qualified Equity Offerings (as defined below) and

(ii) December 31, 2009. The QFI will file a shelf registration statement covering the warrants and the common stock underlying the warrants as promptly as practicable after the date of this investment and, if necessary, shall take all action required to cause such shelf registration statement to be declared effective as soon as possible. The QFI will also grant to the UST piggyback registration rights for the warrants and the common stock underlying the warrants and will take such other steps as may be reasonably requested to facilitate the transfer of the warrants and the common stock underlying the warrants. The QFI will apply for the listing on the national exchange on which the QFI's common stock is traded of the common stock underlying the warrants and will take such other steps as may be reasonably requested to facilitate the transfer of the warrants or the common stock.

"Qualified Equity Offering" shall mean the sale by the QFI after the date of this investment of Tier 1 qualifying perpetual preferred stock or common stock for cash.

Voting: The UST will agree not to exercise voting power with respect to any shares of common stock of the QFI issued to it upon exercise of the warrants.

Reduction: In the event that the QFI has received aggregate gross proceeds of not less than 100% of the issue price of the Senior Preferred from one or more Qualified Equity Offerings on or prior to December 31, 2009, the number of shares of common stock underlying the warrants then held by the UST shall be reduced by a number of shares equal to the product of (i) the number of shares originally underlying the warrants (taking into account all adjustments) and (ii) 0.5.

Consent: In the event that the QFI does not have sufficient available authorized shares of common stock to reserve for issuance upon exercise of the warrants and/or stockholder approval is required for such issuance under applicable stock exchange rules, the QFI will call a meeting of its stockholders as soon as practicable after the date of this investment to increase the number of authorized shares of common stock and/or comply with such exchange rules, and to take any other measures deemed by the UST to be necessary to allow the exercise of warrants into common stock.

Substitution: In the event the QFI is no longer listed or traded on a national securities exchange or securities association, or the consent of the

QFI stockholders described above has not been received within 18 months after the issuance date of the warrants, the warrants will be exchangeable, at the option of the UST, for senior term debt or another economic instrument or security of the QFI such that the UST is appropriately compensated for the value of the warrant, as determined by the UST.

TARP Capital Purchase Program
(Non-Public Holding Companies
with a Mutual Top-Tier Parent)

Preferred Stock and Warrants

Summary of Preferred Terms

Issuer: Qualifying Financial Institution ("QFI") means any Bank Holding Company ("BHC") or Savings and Loan Holding Company ("SLHC") that (i) engages solely or predominately in activities permissible for financial holding companies under relevant law, (ii) is not publicly traded,[1] and (iii) is directly owned and controlled by a BHC or SLHC that is organized in mutual form (a "Mutual HC"). Separate Term Sheets are being issued for BHCs and SLHCs that are directly owned and controlled by a Mutual HC but are publicly traded, and for Mutual HCs that do not directly own and control any BHC or SLHC. The term QFI shall not mean any institution that is controlled by a foreign bank or company. For purposes of this program, "U.S. bank", "U.S. savings association", "BHC" and "SLHC" means a bank, savings association, BHC or SLHC organized under the laws of the United States or any State of the United States, the District of Columbia, any territory or possession of the United States, Puerto Rico, Northern Mariana Islands, Guam, American Samoa, or the Virgin Islands. **The United States Department of the Treasury will determine the eligibility and allocation for QFIs after consultation with the appropriate Federal banking agency.**

Initial Holder: United States Department of the Treasury (the "UST").

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[1] For the purposes of this term sheet "publicly traded" means a company (1) whose securities are traded on a national securities exchange and (2) required to file, under the federal securities laws, periodic reports such as the annual (Form 10-K) and quarterly (Form 10-Q) reports with either the Securities and Exchange Commission or its primary federal bank regulator. A company may be required to do so by virtue of having securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which applies to all companies that are traded on an exchange or that have $10 million in assets and 500 shareholders of record or Section 15(d) of the Exchange Act which requires companies that have filed a registration statement under the Securities Act of 1933, as amended, and have 300 or more security holders of record of the registered class to file reports required under Section 13 of the Exchange Act, e.g., periodic reports.

Size:	QFIs may sell preferred to the UST subject to the limits and terms described below. Each QFI may issue an amount of Preferred equal to not less than 1% of its risk-weighted assets and not more than the lesser of (i) $25 billion and (ii) 3% of its risk-weighted assets.
Security:	Preferred, liquidation preference $1,000 per share. (Depending upon the QFI's available authorized preferred shares, the UST may agree to purchase Preferred with a higher liquidation preference per share, in which case the UST may require the QFI to appoint a depositary to hold the Preferred and issue depositary receipts.)
Ranking:	Senior to common stock and pari passu with existing preferred shares other than preferred shares which by their terms rank junior to any existing preferred shares.
Regulatory Capital Status:	Tier 1.
Term:	Perpetual life.
Dividend:	The Preferred will pay cumulative dividends at a rate of 5% per annum until the fifth anniversary of the date of this investment and thereafter at a rate of 9% per annum. Dividends will be payable quarterly in arrears on February 15, May 15, August 15 and November 15 of each year.
Redemption:	All redemptions of the Preferred shall be at 100% of the issue price, plus any accrued and unpaid dividends, and shall be subject to the approval of the QFI's primary federal bank regulator.
Restrictions on Dividends:	Subject to certain exceptions, for as long as any Preferred is outstanding, no dividends may be declared or paid on junior preferred shares, preferred shares ranking pari passu with the Preferred, or common shares (other than in the case of pari passu preferred shares, dividends on a pro rata basis with the Preferred), nor may the QFI repurchase or redeem any junior preferred shares, preferred shares ranking pari passu with the Preferred or common shares, unless all accrued and unpaid dividends for all past dividend periods on the Preferred are fully paid.

Common Dividends: The UST's consent shall be required for any increase in common dividends per share until the third anniversary of the date of this investment. After the third anniversary and prior to the tenth anniversary, the UST's consent shall be required for any increase in aggregate common dividends per share greater than 3% per annum; provided that no increase in common dividends may be made as a result of any dividend paid in common shares, any stock split, or similar transaction. The restrictions in this paragraph no longer apply if the Preferred and Warrant Preferred are redeemed in whole or the UST has transferred all of the Preferred and Warrant Preferred to third parties.

Repurchases: The UST's consent shall be required for any repurchases of equity securities or trust preferred securities (other than (i) repurchases of the Preferred and (ii) repurchases of junior preferred shares or common shares in connection with any benefit plan in the ordinary course of business consistent with past practice) until the tenth anniversary of the date of this investment unless prior to such tenth anniversary the Preferred and the Warrant Preferred are redeemed in whole or the UST has transferred all of the Preferred and the Warrant Preferred to third parties. In addition, there shall be no share repurchases of junior preferred shares, preferred shares ranking pari passu with the Preferred, or common shares if prohibited as described above under "Restrictions on Dividends".

Other Dividend and Repurchase Restrictions: From and after the tenth anniversary of the date of this investment, the QFI shall be prohibited from paying common dividends or repurchasing any equity securities or trust preferred securities until all equity securities held by the UST are redeemed in whole or the UST has transferred all of such equity securities to third parties.

Voting Rights: The Preferred shall be non-voting, other than class voting rights on (i) any authorization or issuance of shares ranking senior to the Preferred, (ii) any amendment to the rights of Preferred, or (iii) any merger, exchange or similar transaction which would adversely affect the rights of the Preferred.

If dividends on the Preferred are not paid in full for six dividend periods, whether or not consecutive, the Preferred will have the right to elect 2 directors. The right to elect directors will end when full dividends have been paid for all prior dividend periods.

Transferability:

The Preferred will not be subject to any contractual restrictions on transfer or the restrictions of any stockholders' agreement or similar arrangement that may be in effect among the QFI and its stockholders at the time of the Preferred investment or thereafter; provided that the UST and its transferees shall not effect any transfer of the Preferred which would require the QFI to become subject to the periodic reporting requirements of Section 13 or 15(d) of the Exchange Act. If the QFI otherwise becomes subject to such reporting requirements, the QFI will file a shelf registration statement covering the Preferred as promptly as practicable and, if necessary, shall take all action required to cause such shelf registration statement to be declared effective as soon as possible. In addition, the UST and its transferees shall have piggyback registration rights for the Preferred. Subject to the above, the QFI shall take all steps as may be reasonably requested to facilitate the transfer of the Preferred.

Executive Compensation Transparency, Accountability, Monitoring:

As a condition to the closing of this investment, the QFI and its covered officers and employees shall agree to comply with the rules, regulations and guidance of the UST with respect to executive compensation, transparency, accountability and monitoring, as published and in effect at the time of the investment closing.

Related Party Transactions:

For as long as the UST holds any debt or equity securities (including the Preferred) of the QFI, the QFI and its parents and subsidiaries will not enter into a transaction with related persons (within the meaning of Item 404 under the SEC's Regulation S-K) unless such transaction is (i) on terms no less favorable to the QFI and its parents and subsidiaries than could be obtained from an unaffiliated third party, and (ii) has been approved by the audit committee or a comparable body of independent directors of the QFI, or if there are no "independent directors," the board of directors of the QFI but only if the board of directors maintains written documentation supporting its determination that the transaction meets the requirements of (i) of this paragraph.

Summary of Warrant Terms

Warrant: The UST will receive warrants to purchase, upon net settlement, a number of net shares of preferred stock of the QFI (the "Warrant Preferred") having an aggregate liquidation preference equal to 5% of the Preferred amount on the date of investment, subject to reduction as set forth below under "Reduction". The initial exercise price for the warrants shall be $0.01 per share or such greater amount as the charter may require as the par value per share of Warrant Preferred. The UST intends to immediately exercise the warrants.

Term: 10 years.

Exercisability: Immediately exercisable, in whole or in part

Warrant Preferred: The Warrant Preferred shall have the same rights, preferences, privileges, voting rights and other terms as the Preferred, except that (1) the Warrant Preferred will pay dividends at a rate of 9% per annum and (2) the Warrant Preferred may not be redeemed until all the Preferred has been redeemed.

Transferability: The warrants will not be subject to any contractual restrictions on transfer or the restrictions of any stockholders' agreement or similar arrangement that may be in effect among the QFI and its stockholders at the time of this investment or thereafter; provided that the UST shall not effect any transfer of the warrants or underlying Warrant Preferred which would require the QFI to become subject to the periodic reporting requirements of Section 13 or 15(d) of the Exchange Act.

If the QFI otherwise becomes subject to the periodic reporting requirements of Section 13 or 15(d) of the Exchange Act, the QFI will file a shelf registration statement covering the warrants and the Warrant Preferred underlying the warrants as promptly as practicable and, if necessary, shall take all action required to cause such shelf registration statement to be declared effective as soon as possible. In addition, the UST and its transferees shall have piggyback registration rights for the warrants and the Warrant Preferred underlying the warrants. Subject to the above, the QFI shall take all steps as may be reasonably requested to facilitate the transfer of the warrants or the Warrant Preferred.

Reduction: In the event that the QFI has received aggregate gross proceeds of not less than 100% of the issue price of the Preferred from one or more Qualified Equity Offerings (as defined below) on or prior to December 31, 2009, the number of shares of preferred stock underlying the warrants then held by the UST shall be reduced by a number of shares equal to the product of (i) the number of shares originally underlying the warrants (taking into account all adjustments) and (ii) 0.5.

"Qualified Equity Offering" shall mean the sale by the QFI after the date of this investment of Tier 1 qualifying perpetual preferred stock or common stock for cash.

TARP Capital Purchase Program
(Mutual Holding Company)

Senior Securities

<u>Summary of Senior Securities Terms</u>

Issuer:	Qualifying Financial Institution ("QFI") means any Bank Holding Company ("BHC") or Savings and Loan Holding Company ("SLHC") that (i) is mutual in organization (a "Mutual HC"), (ii) engages solely or predominately in activities permissible for financial holding companies under relevant law, and (iii) does not directly own and control a BHC or SLHC. Separate Term Sheets are being issued for BHCs and SLHCs that are directly owned and controlled by a Mutual HC and are (i) publicly traded or (ii) not publicly traded. The term QFI for purposes of this Term Sheet shall not mean any institution that is controlled by a foreign bank or company. For purposes of this program, "U.S. savings bank", "U.S. savings association", "BHC" and "SLHC" means a mutual savings bank, mutual savings association, BHC or SLHC organized in mutual form under the laws of the United States or any State of the United States, the District of Columbia, any territory or possession of the United States, Puerto Rico, Northern Mariana Islands, Guam, American Samoa, or the Virgin Islands. **The United States Department of the Treasury will determine the eligibility and allocation for QFIs after consultation with the appropriate Federal banking agency.**
Initial Holder:	United States Department of the Treasury (the "UST").
Size:	QFIs may sell Senior Securities (defined below) to the UST subject to the limits and terms described below. Each QFI may issue Senior Securities with an aggregate principal amount equal to not less than 1% of its risk-weighted assets and not more than the lesser of (i) $25 billion and (ii) 3% of its risk-weighted assets.
Security:	Subordinated Debentures ("Senior Securities"); it being understood that the Senior Securities do not constitute a class of stock. Each note representing a Senior Security shall be in the principal amount of $1,000.
Ranking:	Senior to mutual capital certificates and other capital instruments authorized under state law. Senior Securities must be subordinated to senior indebtedness of the QFI, in accordance with applicable Federal and state law, unless such debt obligations are explicitly made pari passu or subordinated to the Senior Securities.

Regulatory Capital Status: Tier 1. It is anticipated that, prior to the UST investing, the Senior Securities will become eligible for inclusion in tier 1 capital of an QFI by the appropriate Federal banking agency issuing an interim final rule permitting inclusion of the Senior Securities in tier 1 capital, to the extent necessary.

Maturity: 30 years.

Interest Rate: The Senior Securities will pay interest at a rate of 7.7% per annum until the fifth anniversary of the date of this investment and thereafter at a rate of 13.8% per annum.[1] Interest will be payable quarterly in arrears on February 15, May 15, August 15 and November 15 of each year (each, an "Interest Payment Date").

Interest Deferral: Interest may be deferred on the Senior Securities for up to 20 quarters; however any unpaid interest shall cumulate and compound at the then applicable interest rate in effect. For so long as any interest deferral is in effect, no dividends may be paid on shares of equity, mutual capital certificates, other capital instruments authorized under state law, or trust preferred securities of the QFI.

Redemption: All redemptions of the Senior Securities shall be at 100% of the issue price, plus any accrued and unpaid Interest. All redemptions shall be subject to the approval of the QFI's appropriate Federal banking agency.

Restrictions on Dividends: Subject to certain exceptions, for as long as any Senior Securities are outstanding, no dividends may be declared or paid on any shares of equity, mutual capital certificates, other capital instruments authorized under state law, or trust preferred securities, nor may the QFI repurchase or redeem any shares of equity, mutual capital certificates, other capital instruments authorized under state law, or trust preferred securities unless all accrued and unpaid Interest for all past interest periods on the Senior Securities is fully paid.

Further Restrictions on Dividend Increases: UST's consent shall be required for any increase in regularly paid dividends per share, capital certificate, or other capital instruments authorized under state law until the third anniversary of the date of this

[1] Senior Securities have 7.7% and 13.8% interest rates which equate to after-tax effective rates (assuming a 35% tax rate) of 5% and 9%, respectively, the same rates applied to securities issued by other classes of institutions participating in the CPP.

investment. After the third anniversary and prior to the tenth anniversary, the UST's consent shall be required for any extraordinary dividends on deposit accounts (dividends in excess of the stated rate or that are in excess of the amount resulting from the stated method of calculating the rate on such an account), or to increase aggregate dividends per share or certificate where the resulting aggregate dividend per share, capital certificate, or other capital instruments authorized under state law is greater than 103% of the prior year's dividend rate per annum; provided that no increase in dividends may be made as a result of any dividend paid in common shares capital certificates, or other capital instruments authorized under state law, any stock split or similar transaction. The restrictions in this paragraph no longer apply if the Senior Securities and Warrant Securities (as defined below) have been redeemed in whole or the UST has transferred all of the Senior Securities and Warrant Securities to unaffiliated third parties, which for this purpose does not include a securitization vehicle or investment pool in which the UST is an initial sponsor or participant so long as UST has an economic interest in such vehicle or pool ("Third Parties").

Restriction on Acceleration: Principal and accrued interest may only become immediately due and payable (i.e., accelerate) upon the bankruptcy or liquidation of the QFI, the receivership of a major bank subsidiary of the QFI, or deferral of interest on the Senior Securities for more than 20 quarters.

Repurchases: The UST's consent shall be required for any repurchases of equity securities, mutual capital certificates, other capital instruments authorized under state law, or trust preferred securities (other than repurchases of common shares, capital certificates, or other capital instruments authorized under state law in connection with any benefit plan in the ordinary course of business consistent with past practice or relevant income tax laws) until the tenth anniversary of the date of this investment unless prior to such tenth anniversary the Senior Securities and Warrant Securities are redeemed in whole or the UST has transferred all of the Senior Securities and Warrant Securities to third parties. In addition, there shall be no repurchases of equity, capital certificates, or other capital instruments authorized under state law if prohibited as described above under "Restrictions on Dividends".

Other Dividend and Repurchase Restrictions: From and after the tenth anniversary of the date of this investment, the QFI shall be prohibited from paying dividends or repurchasing any equity securities, capital certificates, other capital instruments authorized under state law, or trust preferred securities until all Senior Securities and Warrant Securities are redeemed or repurchased in whole.

Voting Rights: Senior Securities shall be nonvoting , other than class voting rights on (i) any authorization or issuance of any equity securities which purport to rank senior to the Senior Securities, (ii) any amendment to the rights of Senior Securities, or (iii) any merger, exchange or similar transaction which would adversely affect the rights of the Senior Securities.

Notwithstanding any interest deferral, if Interest on the Senior Securities is not paid in full for six Interest periods, whether or not consecutive, the Senior Securities holders will have the right to elect 2 directors to the QFI. The right to elect directors to the QFI will end when full Interest has been paid for all prior interest periods.

Transferability: Senior Securities will not be subject to any contractual restrictions on transfer or the restrictions of any stockholders' agreement or similar arrangement that may be in effect among the QFI and its equity holders at the time of the Senior Security investment or thereafter; provided that the UST and its transferees shall use its commercially reasonable efforts not to effect any transfer of the Senior Securities which would require the QFI to become subject to the periodic reporting requirements of Section 13 or 15(d) of the Exchange Act.

If the QFI otherwise becomes subject to such reporting requirements (e.g. to the extent it no longer elects to be a MHC, or an S Corporation), the QFI will file a shelf registration statement covering the Senior Securities as promptly as practicable and, if necessary, shall take all action required to cause such shelf registration statement to be declared effective as soon as possible. In addition, the UST and its transferees shall have piggyback registration rights for the Senior Securities. Subject to the above, the QFI shall take all steps as may be reasonably requested to facilitate the transfer of the Senior Securities.

Executive Compensation, Transparency, Accountability, Monitoring: The QFI and its covered officers and employees shall agree to comply with the rules, regulations and guidance of the UST with respect to executive compensation, transparency, accountability and monitoring, as published and in effect at the time of the investment closing.

Affiliate Transactions: For as long as the UST holds any debt or equity securities (including the Senior Securities) of the QFI, the QFI and its subsidiaries will not enter into a transaction with related persons (within the meaning of Item 404 under the SEC's Regulation S-K) unless such transaction is (i) on terms no less favorable to the QFI and its subsidiaries than could be obtained from an unaffiliated third party, and (ii) has been approved by the audit committee or a comparable body of independent directors of the QFI, or if there are no "independent directors," the board of directors of the QFI but only if the board of directors maintains written documentation supporting its determination that the transaction meets the requirements of (i) of this paragraph.

Summary of Warrant Terms

Warrant: In consideration of the investment in Senior Securities and other consideration in connection with its investment, UST will receive warrants to purchase, upon net settlement, a number of additional Senior Securities (the "Warrant Securities") in an amount equal to 5% of the amount of Senior Securities purchased on the date of investment, subject to reduction as set forth below under "Reduction". The UST intends to immediately exercise the warrants. The exercise price for the warrants shall be $0.01 per note representing a Warrant Security.

Term: 10 years (it being understood the Warrant Securities themselves will have a maturity of 30 years).

Exercisability: Immediately exercisable, in whole or in part.

Warrant Securities: The Warrant Securities shall have the same rights, preferences, privileges, voting rights and other terms as the Senior Securities, except that (1) the Warrant Securities will pay Interest at a rate of 13.8% per annum and (2) the Warrant Securities may not be redeemed until all the Senior Securities have been redeemed.

Transferability: The warrants will not be subject to any contractual restrictions on transfer or the restrictions of any stockholders' agreement or similar arrangement that may be in effect among the QFI and its equity holders at the time of this investment or thereafter; provided that the UST shall not effect any transfer of the warrants or underlying Warrant Securities which would require the QFI to become subject to the periodic reporting requirements of Section 13 or 15(d) of the Exchange Act.

If the QFI otherwise becomes subject to the periodic reporting requirements of Section 13 or 15(d) of the Exchange Act, the QFI will file a shelf registration statement covering the warrants and the Warrant Securities underlying the warrants as promptly as practicable and, if necessary, shall take all action required to cause such shelf registration statement to be declared effective as soon as possible. In addition, the UST and its transferees shall have piggyback registration rights for the warrants and the Warrant Securities underlying the warrants. Subject to the above, the QFI shall take all steps as may be reasonably requested to facilitate the transfer of the warrants or the Warrant Securities.

Reduction: In the event that the QFI has received aggregate gross proceeds of not less than 100% of the issue price of the Senior Securities from one or more

Qualified Equity Offerings (as defined below) on or prior to December 31, 2009, the number of Senior Securities underlying the warrants then held by the UST shall be reduced by a number of Senior Securities equal to the product of (i) the number of Senior Securities originally underlying the warrants (taking into account all adjustments) and (ii) 0.5.

"Qualified Equity Offering" shall mean the sale by the QFI after the date of this investment of economic instruments or securities qualifying as capital of at least equivalent rank as the Senior Securities.

PROCESS-RELATED FAQS FOR THE CAPITAL PURCHASE PROGRAM

MUTUAL HOLDING COMPANY FAQS

Q: What is the deadline for a mutual holding company or holding company with a mutual top-tier parent to apply to the Capital Purchase Program (CPP)?

A: The application deadline is 5:00 p.m., Eastern Time, May 7, 2009.

Q: How does a mutual holding company or holding company with a mutual top-tier parent know if it is eligible to participate in the Treasury Department's CPP?

A: Qualifying Financial Institutions (QFI) should review the eligibility requirements as described in the CPP term sheet and related documents (which are available at http://www.financialstability.gov/roadtostability/CPPappdocs.html). In addition, a QFI should contact its appropriate Federal banking agency.

Q: How does a mutual holding company or holding company with a mutual top-tier parent apply to the Treasury Department's CPP?

A: A QFI must submit an application to the appropriate Federal banking agency. If the applicant is a bank holding company, the application should be submitted to both the applicant's holding company supervisor and the supervisor of the largest insured depository institution controlled by the applicant. Each Federal banking agency has provided information on its public web site regarding where an application for participation in the CPP should be directed. This information is available at:

1. For the Federal Deposit Insurance Corporation: www.fdic.gov
2. For the Federal Reserve: www.federalreserve.gov
3. For the Office of the Comptroller of the Currency: www.occ.treas.gov
4. For the Office of Thrift Supervision: www.ots.treas.gov

Q: Is the application for a mutual holding company or holding company with a mutual top-tier parent different from the standard CPP application form?

A: No, all applications used by QFIs to apply for participation in the CPP are the same standardized form. This application form is available on the public web sites of each Federal banking agency and on http://www.financialstability.gov. All inquiries regarding preparation of the application should be directed to the appropriate Federal banking agency for the applicant. The Federal banking agencies, working in consultation with the Treasury Department, developed a common application form that may be used by all QFIs seeking to participate in the CPP. The application form is available on the public web sites of each Federal banking agency and on Treasury's website referenced above. All inquiries regarding preparation of the application should be directed to the appropriate FBA for the applicant.

Q: Must an institution re-apply if it is a mutual holding company or holding company with a mutual top-tier parent and has already submitted an application?

A: No. It is not necessary to reapply if your applicable Federal banking agency has your application. Note, however, the amount of Treasury's investment must be between 1% and 3% of an institution's risk weighted assets based on information contained in the latest quarterly supervisory report filed by the applicant with its appropriate federal banking agency, updated to reflect events materially affecting the financial condition of the applicant occurring since the filing of such report.

Q: When will the definitive agreements be available?

A: Treasury expects the definitive agreements to be available within a few weeks of the publication of the term sheets.

Q: What if an institution has a bank or thrift holding company application pending with a federal banking regulator?

A: Final approval of the holding company application must have been granted by the applicable federal banking agency by January 15, 2009 to be eligible to participate in the CPP.

Q. Will applications filed by QFIs or the names of applying QFIs be released publicly?

A: No. The CPP applications are confidential proposals submitted for review by each institution's appropriate Federal banking agency. Applications which are denied or withdrawn will not be disclosed. However, Treasury will provide electronic reports detailing any completed transactions, as required by the Emergency Economic Stabilization Act of 2008, within 48 hours.

Q: Who should a QFI contact if they have questions regarding how to file an application or the status of a submitted application?

A: The QFI should contact its appropriate Federal banking agency using the contact information provided on the above referenced agency web site.

Q: Will a QFI receive verification that its application has been filed with its appropriate Federal banking agency?

A: Yes.

Q: Will capital raised under this program count as Tier 1 capital?

A: Yes.

Q: What is the reference date for purposes of calculating the market price of the warrants for public holding companies with a mutual top-tier parent? Is it the date of Treasury's investment?

A: No. Treasury has amended the term sheet for these institutions to clarify that the initial exercise price for the warrants, and the market price for determining the number of shares of common stock subject to the warrants, is the market price for the common stock on the date that the Treasury's Office of Financial Stability's investment committee recommends approval of the investment to the Assistant Secretary for Financial Stability (calculated on a 20-trading day trailing average), subject to customary anti-dilution adjustments.