

Application: Reverse Stock Split

Date

Director for District Licensing
Comptroller of the Currency
Street Address
City, State, ZIP Code

Re: Reverse Stock Split, Charter No. *(insert)*

Dear Director:

The *(bank name)* has adopted corporate governance procedures authorizing a reverse stock split under 12 CFR 7.2000(b) and requests the approval of the Comptroller of the Currency (OCC) to complete the reverse stock split in accordance with those provisions.

[Identify the corporate governance procedures that the bank adopted (that is, the authority and specific language permitting the reverse stock split under state law). If the bank is relying on a corporate governance scheme that the OCC has not previously reviewed (refer to approved states in Capital and Dividends booklet), include a thorough legal analysis describing the source of authority for the reverse stock split.]

[Describe the legitimate corporate purpose for undertaking the reverse stock split. Refer to 12 CFR 7.2023 for a list of corporate purposes. If the bank identifies a corporate purpose not described in the Interpretive Ruling, it should describe the reason for that choice.]

The bank certifies that the above corporate governance procedures provide the shareholders with dissenters' rights that contain, at a minimum, the following elements:

- Advance notice of dissenters' rights to shareholders before the shareholder meeting.
- An independent third-party appraisal of the shares if the bank and any dissenting shareholders are unable to agree on the value of the dissenting shares.
- Payment by the bank of the cost of appraising dissenting shares. *(However, the bank need not pay the cost of other expenses of the appraisal proceeding, for example, attorney's fees of dissenting shareholders, unless required by state law or the appropriate court.)*
- Binding arbitration by an independent third party, to be paid for by the bank, if the court that would ordinarily hear an appraisal action under the corporate governance procedures refuses jurisdiction to appraise the shares of a national bank. *(Conduct of the arbitration must be consistent with the rules and procedures of the American Arbitration Association or other organization with expertise in alternative dispute resolution.)*

[Describe the method used to establish a price].

The bank certifies that it will comply with the limitation on the par value of a national bank's common stock (12 USC 52). Further, the bank *(determined, will determine)* the price to be paid to minority shareholders (12 CFR 5.67) *(insert explanation)*.

The bank (*has obtained or will obtain*) the two-thirds' shareholder approval of the reduction in capital (*retirement of capital stock, acquisition of treasury stock*) on (*insert date*) as required by 12 USC 59.

The bank's prompt corrective action capital category (12 CFR 6) following the proposed reverse stock split will be (*insert*). The bank (*is or is not*) currently subject to a capital plan filed with the OCC. (*If subject to a capital plan, insert: The proposed change conforms to the plan by (provide explanation)*). A copy of the plan is enclosed.)

Enclosed is a capital reconciliation showing the bank's capital structure after each step of the reverse stock split, with an explanation of the accounting entries (***for assistance, refer to the "Pro Forma Balance Sheet and Projected Capital Schedule" sample documents downloadable from the OCC's Web site***).

A filing fee of \$(*amount*) is enclosed.

I request OCC action on this application no later than (*insert date*).

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

I acknowledge that any misrepresentations or omissions of material facts with respect to this application, any enclosures to it, and any other documents or information provided in connection with this application may be grounds for denial or revocation of an approval, and may subject the undersigned to other legal sanctions, including the criminal sanctions provided for in 18 USC 1001, 1007, and 1014.

I acknowledge that approval of this application is in the discretion of the OCC. Actions or communications, whether oral, written, or electronic, by an agency or its employees in connection with this filing and in connection with any additions, modifications, or amendments to this filing, including approval of the application if granted, do not constitute a contract, either express or implied, or any other obligation binding upon the agency, other federal banking agencies, the United States, any other agency or entity of the United States, or any officer or employee of the United States. Such actions or communications will not affect the ability of the agency to exercise its supervisory, regulatory, or examination powers under applicable law and regulations. I further acknowledge that the foregoing may not be waived or modified by any employee or agent of a federal banking agency or of the United States.

If you have questions, contact (*name, address, city, state, ZIP Code*) at (*telephone and FAX number and e-mail address*).

Sincerely,

—Signature—

Name and Title

Enclosures: Amendment to the Articles of Association or Bylaws
Capital Plan (*If applicable*)
Pro Forma Balance Sheet
Projected Capital Schedule
Filing Fee