



Office of the State Bank Commissioner

APPLICATION FOR AUTHORITY TO ENGAGE IN THE BUSINESS OF BANKING (NEW BANK CHARTER)

Pursuant to K.S.A. 9-801 to K.S.A. 9-806, and
K.A.R. 17-16-1 to K.A.R. 17-16-9

(Proposed Name of Bank)

(Proposed Street Address and Mailing Address)

(City, County, State, Zip Code)

(Name and Telephone Number of Person to Contact Regarding Application)

(Address of Contact Person)

An original and nine copies of the application and the applicable filing fee should be submitted to:

State Banking Board
Office of the State Bank Commissioner
700 SW Jackson Street, Suite 300
Topeka, Kansas 66603-3796

Remittance of a filing fee of \$2,500 is required pursuant to K.S.A. 9-1726. It should also be understood that the cost of on-site examinations or investigations in connection with this application will be the responsibility of the applicant.

The application is available to members of the public, subject to limitations imposed by federal or state statutes. If the applicant is of the opinion that disclosure of commercial or financial information would likely result in substantial harm to the competitive position of the bank, or that disclosure of information of a personal nature would result in a clearly unwarranted invasion of personal privacy, confidential treatment of such information may be requested. Information for which confidential treatment is requested should be (1) specifically identified in the public portion of the application (by reference to the confidential section), (2) separately bound, and (3) labeled "Confidential."

The following information should be submitted. Separate pages should be attached, where necessary. The State Banking Board may request additional information, if deemed necessary.

OVERVIEW

1. An overview of the application which includes a brief discussion of the business plan, how the incorporators/organizers came together, and the factors that led to filing the application.
2. A statement of fact to support a finding of public need for the proposed bank in the community where it will be located, and the chances for success.
3. A list and copy of all applications filed in conjunction with this proposal, such as, applications for deposit insurance, holding company, trust powers, branch offices, service corporations, and other subsidiaries.

CAPITAL

1. The total amount of capital at opening will be: \$ _____

Pursuant to K.S.A. 9-901a(b)(1) the minimum capital must be the greater of \$3,000,000 or an amount equal to 8% of the estimated five-year deposit total. The State Banking Board may require capital in excess of these amounts.

The par value of common and preferred stock is to be divided into shares of \$1.00 each, or any whole number multiple thereof.

Number of shares to be authorized _____

Number of shares to be issued _____

Par value per share \$ _____

Sale price per share \$ _____

Of the total capital indicated above, a distribution between accounts is to be made as follows:

Capital Stock (60%) \$ _____

Surplus (30%) \$ _____

Undivided Profits (10%) \$ _____

2. The names of subscribers to the capital stock and the amount of stock to which each subscribed. Include a copy of any escrow agreement, subscription agreement, or evidence of deposit for each subscriber.

For each subscriber of more than 5% of capital stock, indicate past and present connection(s) with any bank, other than as a customer.

For organizers, directors, 10% shareholders, and senior executive officers, include the source of the funds for investment. If all or part of these funds will be borrowed, give the name of the lender and the terms and conditions of the loan, including the security, interest rate, and maturity date. A commitment letter from the lender should also be provided.

Describe any potential conflicts of interest that could occur as a result of ownership of the proposed bank.

3. Details of any stock benefit plans, including stock options, stock warrants, and other similar stock based compensation plans. All such plans must be fully disclosed to all potential subscribers.
4. Recipients and amounts of any fees, commissions, or other consideration in connection with the sale of stock.
5. The names of persons, partnerships, associations, or corporations proposing to own or control more than 50% of the capital stock (controlling interest).
6. Discussion of the adequacy of the proposed capital structure relative to internal and external risks, planned operational and financial assumptions, and projected organization and operating expenses. Include discussion regarding any plans for the payment of dividends.
7. Discussion of plans for raising additional capital after the bank is open, in the event earnings projections in the original application are not met, or if asset growth exceeds projections.
8. If the bank will be controlled by a holding company, provide the following:
 - (a) A statement as to whether the holding company will be paid a management fee. If so, state the amount and basis on which it will be computed.
 - (b) The holding company's pro forma or most recent balance sheet and income statement along with detailed information of any debt now held or to be acquired as a result of this application.
 - (c) A description of the debt service requirements for any existing debt or debt that will be incurred at the holding company level to capitalize the bank.

INCORPORATORS/ORGANIZERS, DIRECTORS AND MANAGEMENT

1. The names and addresses of each incorporator/organizer, proposed directors, proposed officers and any individual shareholder or group of proposed shareholders acting in concert that will own or control 10% or more of capital stock. A minimum of five incorporators/organizers who are residents of the state of Kansas is required. Additionally, the following should be provided:
 - (a) The number of shares of capital stock and percentage of total shares each will purchase.
 - (b) A complete and current (within 90 days) Interagency Biographical and Financial Report for each person listed. The Report form to be used is available at:
<https://www.fdic.gov/formsdocuments/Bio-FinReport.pdf>
2. An organization chart for the proposed bank.
3. If applicable, details of any employment contracts involving bank officers or employees.
4. Discussion of each proposed director's qualifications and experience. Describe the extent, if any, to which directors or major stockholders are or will be involved in the day-to-day management of the bank. Also, describe the form(s) of compensation, if any.
5. Discussion of each proposed senior executive officer's duties and responsibilities, and qualifications and experience to serve in his/her position. If an individual has not yet been selected for a key position, list the criteria that will be required in the selection process. Provide the proposed annual compensation of all officers.

PREMISES AND FIXED ASSETS

1. Building plans for the proposed bank. Provide the complete legal description of the location of the proposed bank and the terms of the lease or acquisition of the real property. Include a copy of all signed purchase agreements or lease agreements. Identify the present owner of the real property and their relationship, if any, to the organizers, directors, or management.
2. Itemized projected dollar investment in real property, improvements, and equipment. Please include a description of the facilities and furnishings. (NOTE: Pursuant to K.S.A. 9-1102(e), the bank's investment in total fixed assets cannot exceed 50% of the bank's total equity capital.)
3. A letter from the State Historic Preservation Department of the State Historical Society indicating if the proposed location is included in or eligible for inclusion, in the National Register for Historical Places.
4. If temporary quarters are planned, provide a description of the interim facility, estimated length of use, lease terms and any other associated commitments and costs.

TRADE AREA, CONVENIENCE, AND NEEDS OF THE COMMUNITY

1. A copy of the business plan. The plan should address, at a minimum, topics contained in the Interagency Charter and Federal Deposit Insurance Application Business Plan guidelines. Additionally, the plan should include a description of the type of business the proposed bank will be primarily involved with, (i.e. agricultural, industrial, manufacturing, service, combination, etc.); hours the bank will be open; type of loans and deposit accounts which will be offered; any additional services which will be provided such as safe deposit boxes, drive-up window, discount brokerage, insurance, trust, etc.; and any other relevant information.
2. Competitive factors the proposed bank faces in the proposed market and how the proposed bank will address the convenience and needs of that market to maintain its long-term viability. Also provide a copy of the proposed community reinvestment statement.
3. Discussion of the overall marketing/advertising strategy, including approaches to reach designated target markets through marketing of products, services, etc.
4. The population, as stated in the two most recent census reports, of the city or town and the county of the city or town in which the proposed bank is to be located.
5. (a) Define the intended geographic market area. Include a map of the city or town and the surrounding trade area showing the location of the proposed bank and offices of existing depository institutions.

(b) Provide a list of each depository institution within a 25 mile radius of the proposed location showing the address, distance from the location of the proposed bank, and total deposits. If the proposed bank is to be located in a metropolitan area with a population of 100,000 or more, the listed requirement is limited to a five mile radius of the proposed bank site.

FINANCIAL PROJECTIONS

1. Detailed pro forma (year-end) balance sheets and income statements for each of the five years immediately following the estimated date of charter. Include an explanation of assumptions used. At a minimum, assumptions should address: market growth, interest rates, cost of funds, expenses and competition.
2. Discussion as to the prospects for success of the proposed bank.

MISCELLANEOUS

1. Indicate whether it is anticipated that trust powers will be requested within the next five years. If trust powers are to be requested with this application, please contact the Office of the State Bank Commissioner for the appropriate application.
2. A list of the organization and other preliminary expenses associated with this charter application including attorney's fees (provide name of attorney), investigation fees, advertising, filing fees, etc. Describe how organization expenses will be paid.
3. Discussion of the electronic information system for the proposed bank, detailing services to be out-sourced and/or administered internally. Also, if the Internet will be utilized, provide details as to the type of site and its anticipated functions.
4. Indicate whether plans include filing for Subchapter S Corporation tax status.
5. A copy of the proposed Articles of Incorporation and By-laws.
6. A copy of any quotes received for fidelity bond coverage, or if no quotes have been received, provide the names of companies contacted. A commitment to provide bond coverage must be obtained before a charter certificate will be issued.
7. Plans for an annual audit.
8. An affidavit of publication.
A sample notice is available at <http://www.osbckansas.org/banking/applications.html>.
9. When available, provide a copy of the proposed operating policies.
10. Any other relevant information, not already requested, that is deemed pertinent to this application.

In support of this application, applicants have hereby made the aforementioned statements and representations, and submit this information, based upon the several factors as outlined, for the purpose of inducing the State Banking Board of the State of Kansas to approve the proposed charter.

Applicants hereby authorize the State Bank Commissioner of Kansas to conduct any investigation, examination, or review deemed necessary and agree to provide any other material as requested by the State Banking Board or State Bank Commissioner.

ATTESTATION

Applicants affirm that the information contained in this application has been prepared at their direction and that it is accurate and complete to the Applicants' best knowledge and belief.

INCORPORATORS

[Print Name]

[Signature]

STATE OF KANSAS)
)
County of _____)

Before me, a Notary Public in and for the County and State above named, personally appeared the incorporators of the aforementioned proposed bank and that each of them stated under oath that all matters herein contained are true and correct to their best knowledge and belief.

Subscribed and sworn to before me this _____ day of _____, _____.

Notary Public

(SEAL)

My Commission Expires: _____, _____.

Questions concerning this application may be addressed to:

Dana S. Hampton, Director of Corporate Activities
Office of the State Bank Commissioner
700 SW Jackson Street, Suite 300
Topeka, Kansas 66603-3714
(785) 296-1450 FAX (785) 296-6037