

**STATEMENT WITH REGARD TO
PROPOSED PLAN OF EXCHANGE**

Pursuant to which all the Common Stock of

(Name of Financial Institution)

(Address of Principal Office)

(City or Town)

(County)

(Zip Code)

(Hereinafter called the "Institution")

will be exchanged for all the Common Stock of

(Name of Acquiring Corporation)

(Address of Principal Office)

(City or Town)

(County)

(Zip Code)

(Hereinafter called the "Holding Company")

Filed with the

INDIANA DEPARTMENT OF FINANCIAL INSTITUTIONS

30 SOUTH MERIDIAN STREET

SUITE 300

INDIANAPOLIS, INDIANA 46204

(Hereinafter called the "Department")

Name, title, address, and telephone number of person (s) to whom notices and
correspondence concerning this statement should be addressed:

Date of Statement: _____

GENERAL INSTRUCTIONS

1. This Statement with Regard to Proposed Plan of Exchange (the “Statement”) shall be used by parties who desire to form a bank holding company pursuant to Indiana Code 28-1-7.5. Three manually signed copies of the Statement, including all exhibits, financial statements, and all other documents desired to be filed as a part thereof, shall be filed with the Department.
2. Any information required to be furnished under any section of the Statement may be incorporated from the preliminary proxy or information statement submitted as a part thereof by reference to the specific item in the preliminary proxy or information statement, provided an express statement that the specified matter is incorporated by reference is made at the particular place in the Statement where the information is required.
3. Indiana Code 28-1-7.5-4 (a) (7) requires a preliminary proxy or information statement to be attached to this Statement that sets forth all material facts relating to the Holding Company and the proposed Plan of Exchange. The determination of what are “material facts” must be made by the parties filing this Statement. The following statement shall appear in capital letters on the face page of the proxy or information statement: THE INDIANA DEPARTMENT OF FINANCIAL INSTITUTIONS HAS NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS PROXY OR INFORMATION STATEMENT.

The parties should keep in mind that the Plan of Exchange contemplates an offering of securities that is subject to the general anti-fraud provisions of the state and federal securities laws. Under the anti-fraud provisions, a particular fact generally is considered material if there is a substantial likelihood that a reasonable shareholder would consider that fact of significance in determining how to vote on the proposed Plan of Exchange.

Although the Department has not promulgated specific proxy rules, in most cases this standard at a minimum contemplates the disclosure of the following types of information in the proxy or information statement:

- (1) A description of the Plan;
- (2) A discussion of the tax consequences of the Plan;
- (3) A discussion of dissenters' rights
- (4) A discussion of the reasons for the adoption of the Plan;
- (5) A discussion of the increased corporate powers of the Holding Company as compared to the Institution, including the power to maintain authorized but unissued shares for the future issuance without shareholder approval; to borrow funds at the Holding Company level to increase the capital of the institution; to repurchase outstanding shares of its stock; and to engage in nonbanking activities.
- (6) A discussion of any plans of the Holding Company to utilize its corporate powers described in item 5 above;
- (7) A comparison of the Institution stock and the Holding Company stock;
- (8) A table showing the existing capitalization of the Institution and the pro forma capitalization of the Holding Company after giving effect to the transactions contemplated by the Plan; and
- (9) A discussion of the applicability of the registration requirements of the Securities Act of 1933 and the Indiana Securities Law to resale's by the Institution shareholders of the Holding Company stock to be issued to them.

The Department generally will not object if the proxy or information statement does not include financial statements of the Institution if (a) the Institution mailed an annual report containing financial statements for its last two years to the its shareholders in connection with its last annual meeting, and (b) the Institution mails a copy of its most recent published statement of condition to all

shareholders together with the proxy or information statement. If the Institution has not previously mailed annual financial statements to its shareholders, then financial information may be required by the Department to be included in the proxy or information statement on a case by case basis.

4. If any material change occurs in the facts set forth in the Statement as filed with the Department, an amendment setting forth the change, together with copies of all documents and other material relevant to the change, shall be filed with the Department within five (5) business days after the parties learn of the change.
5. After the Plan of Exchange has been approved by the shareholders of the Institution and, if required, by the shareholders of the Holding Company, the Institution shall prepare Articles of Exchange in accordance with IC 28-1-7.5-9.

**STATEMENT WITH REGARD TO
PROPOSED PLAN OF EXCHANGE**

(hereinafter called the "Statement")

(Name of the Financial Institution)

a corporation organized on _____
(Date of Incorporation)

and presently existing under the provisions of The Indiana General Corporation Act, hereby (a) submit this Statement to the Department pursuant to IC 28-1-7.5-4 with regard to a Plan of Exchange whereby the Holding Company will become the holder of all the common stock of the Institution and the Institutions common shareholders will become the sole common shareholders of the Holding Company, and (b) apply to the Department for its approval of the Plan of Exchange pursuant to IC 28-1-7.5-6.

DOCUMENTS TO BE FURNISHED

(In response to Items 1 through 4, indicate where in the Statement the required document can be found and make an express statement that such document is incorporated by reference.)

1. Attach a copy of the Plan of Exchange certified by the Secretary or Cashier of the Institution and the Holding Company as having been approved by the Boards of Directors of the Institution and the Holding Company in accordance with IC 28-1-7.5-3. Label the Plan of Exchange “Exhibit A” and use the certification form on page 17.
2. Attach copies of (a) the Institution’s consolidated report of condition and consolidated report of income as filed with the appropriate federal agency for the last preceding year, (b) the most recent quarterly report of condition, if any, filed with the appropriate federal agency since year end, and (c) the most recent report of income, if any, filed with the the appropriate federal agency since year end.
3. Attach a statement presenting (a) a balance sheet of the Holding Company as of the date of the Institution’s most recent report of condition submitted in response to Item 2 above, (b) debit and credit adjustments (explained by footnotes) reflecting the proposed transactions contemplated by the Plan of Exchange, and (c) the resulting pro forma balance sheet of the Holding Company on a parent only basis assuming that the proposed transactions were consummated on such date.
4. Attach a copy of the preliminary proxy or information statement prepared for distribution to the shareholders of the Institution setting forth all material facts relating to the Holding Company and the Proposed Plan of Exchange. See General Instruction 3.

DESCRIPTION OF FUTURE BUSINESS AND
PLANS OF THE HOLDING COMPANY

5. Describe the business intended to be done by the Holding Company upon effectiveness of the Plan of Exchange.

6. Does the Holding Company have any plans or proposals to sell its assets, to merge or consolidate, or to make any other material change in its investment policy, business, corporate structure, or ,management.

Yes No

If yes, please describe.

7. Describe the method by which all of the Holding Company's shares of common stock will be redeemed within 30 days of the consummation of the Plan of Exchange.

8. Does the Holding Company have any plans to repurchase or otherwise reacquire its stock, other than in accordance with the Plan of Exchange?

Yes No

If yes, please describe.

9. Does the Holding Company have any plans or proposals to liquidate the Institution, to sell the Institution's assets, to merge or consolidate the Institution, or to make any other material changes in the investment policy, business, corporate structure, or management of the Institution?

Yes No

If yes, please describe.

10. Has any current or proposed Officer or Director of the Holding Company or bank been convicted of any crime, other than minor traffic violations?

Yes No

If yes, please describe.

DIRECTORS AND OFFICERS OF THE HOLDING COMPANY

11. Complete the following table with regard to each person who is or has been selected to be a Director or Officer of the Holding Company. Attach additional copies of this as necessary.

Name and Residence Address	Current or proposed Position with the Holding Company	Present Principal Occupation or Employment	All Business Offices, Directorships and Other Positions Held During the Last Five Years

* Include the name and principal business of any corporation or other organization in which such principal occupation or employment is carried on.

** Include dates held (e.g. “6/80 to 11/82”). Information regarding positions with civic, honorary, or other or other non-profit organizations need not be furnished. Also, information regarding changes in title within one business organization (e.g., from Secretary/ Treasure to Vice President) need not be furnished except to the extent material.

STATEMENT OF CHANGES TO BE MADE BY THE PLAN TO THE INSTITUTION'S CAPITAL STRUCTURE
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12. Complete the following tables to show the changes to be made to the Institution's capital structure by the Plan of Exchange. For this purpose, the Institution may assume that no shareholders of the Institution will exercise dissenters' rights.

	INSTITUTION ONLY	
	<u>Current</u>	<u>Upon Consummation of Plan of Exchange</u>
CAPITAL STOCK		
Common	\$ _____	\$ _____
Preferred	\$ _____	\$ _____
	\$ _____	\$ _____
SURPLUS	\$ _____	\$ _____
UNDIVIDED PROFITS	\$ _____	\$ _____
OTHER (explain)	\$ _____	\$ _____
TOTAL EQUITY CAPITAL	\$ _____	\$ _____

INSTITUTION ONLY

	<u>Current</u>		<u>Upon Consummation</u>	
	<u>Common</u>	<u>Preferred</u>	<u>of Plan of Exchange</u>	<u>Common Preferred</u>
NUMBER OF SHARES AUTHORIZED				
NUMBER OF SHARES OUTSTANDING				
NUMBER OF SHARES RESERVED FOR ISSUANCE UNDER OPTIONS OR CONVERTIBLE SECURITIES				
PAR VALUE PER SHARE				

13. State how the Institution and the Holding Company intend to finance the purchase of shares held by any shareholders who may exercise dissenters' rights pursuant to I.C. 28-1-7.5-8. The Department reserves the right to condition its approval of the Plan of Exchange upon the maintenance of adequate levels of the Institution's capital after giving effect to the purchase of dissenters' shares.

REQUEST OR WAIVER OF HEARING

14. The Institution, pursuant to I.C. 28-1-7.5-5, hereby:

_____ REQUESTS
(Check one)
_____ WAIVES

a public hearing with respect to the Plan.

SIGNATURES

The Institution and the Holding Company hereby affirm and verify, subject to the penalties of perjury, the truth, accuracy and completeness of the information contained in this Statement, including all attachments to this statement, to the best of their knowledge and belief.

Executed this _____ day of _____.

(Financial Institution)

By: _____
(Authorized Officer)

(Name of Holding Company)

By: _____
(Authorized Officer)

AFFIRMATION OF AUTHORIZED OFFICERS

The undersigned deposes and says that he or she has duly executed the attached Statement dated _____,
For and on behalf of _____

(Financial Institution)

and that he or she is authorized to execute and file such instrument. Deponent further says that he or she is familiar with such instrument and the contents thereof, and that the facts therein are true to the best of his or her knowledge, information, and belief.

Title _____

The undersigned deposes and says that he or she has duly executed the attached Statement dated _____, for and on behalf of _____

(Name of Holding Company)

and that he or she is authorized to execute and file such instrument. Deponent further says that he or she is familiar with such instrument and the contents thereof, and that the facts therein are true to the best of his or her knowledge, information, and belief.

Title _____

RESOLUTIONS OF THE BOARD OF DIRECTORS OF THE INSTITUTION

The Board of Directors of _____
(the "Institution") at a meeting thereof duly called and held on _____
adopted the following resolutions by a majority vote of such Board:

RESOLVED, That the Board of Directors of the Institution hereby approves and adopts the proposed Plan of Exchange pursuant to which all of the common stock of the Institution will be exchanged for common stock of _____ (the "Holding Company"), and the President or any Vice President or the Institution is authorized and directed to execute in the name and on behalf of the Institution the Plan of Exchange in the form presented to this meeting.

FURTHER RESOLVED, That the Plan of Exchange be submitted to a vote of the shareholders of the Institution entitled to vote thereon at (the annual/a special) meeting of such shareholders hereby called to be held at _____

(Place, Date, and Time)

at which the shareholders of record at the close of business on _____
shall be entitled to vote.

The above resolutions are presently in full force and effect and have not been rescinded or modified.

(SEAL)

Cashier or Secretary

Dated: _____

RESOLUTIONS OF THE BOARD OF DIRECTORS
OF THE HOLDING COMPANY

The Board of Directors of _____
(the "Holding Company") at a meeting thereof duly called and held on _____,
adopted the following resolutions by a majority vote of such Board:

RESOLVED, That the Board of Directors of the Holding Company hereby
approves and adopts the proposed Plan of Exchange pursuant to which all of the common
stock of _____
(the "Institution") will be exchanged for common stock of the Holding Company, and the
President or any Vice President of the Holding Company is authorized and directed to
execute in the name and on behalf of the Holding Company the Plan of Exchange in the
form presented to this morning.

(The following resolution is required only if the
Articles of Incorporation of the Holding Company
will be amended by the Plan of Exchange)

FURTHER RESOLVED, That the Plan of Exchange be submitted to a vote of the
shareholders of the Holding Company entitled to vote thereon at (the annual/a special)
meeting of such shareholders hereby called to be held at _____

(Place, Date, Time)

at which the shareholders of record at the close of business on _____
_____, shall be entitled to vote, unless such shareholders shall prior to such date adopt
such Plan by unanimous written consent.

The above resolutions are presently in full force and effect and have not been
rescinded or modified.

Secretary

Dated: _____

CERTIFICATION

The undersigned, _____,
Hereby certifies that he or she is the Secretary/Cashier of _____
(the "Institution"), and that attached hereto as Exhibit A is a true and complete copy of the
Plan of Exchange as approved by the Board of Directors of the Institution on _____
(Date)

[INSTITUTION SEAL]

(Secretary/Cashier of the Institution)

Dated: _____

CERTIFICATION

The undersigned, _____,
Hereby certifies that he or she is the Secretary of _____
(the "Holding Company"), and the attached hereto as Exhibit A is a true and complete
copy of the Plan of Exchange as approved by the Board of Directors of the Holding
Company on _____,
(Date)

(Secretary of the Holding Company)

Dated: _____