

TARP Capital Purchase Program
(Non-Public QFIs, excluding S Corps and Mutual Organizations)
Senior Preferred Stock and Warrants Securities
Summary of Senior Preferred Terms

Issuer: Qualifying Financial Institution (“QFI”) means ~~(i) any U.S. bank or U.S. savings association not controlled by any~~ (i) top-tier Bank Holding Company (“BHC”), or top-tier Savings and Loan Holding Company (“SLHC”); ~~(ii) any top-tier U.S. BHC, (iii) any top-tier U.S. SLHC which that~~ engages solely or predominately in activities ~~that are permitted~~permissible for financial holding companies under relevant law; ~~and (iv) any, that in either case is not publicly traded,~~ (ii) U.S. bank or U.S. savings association controlled by a U.S. SLHC that organized in a stock form that are neither publicly traded nor controlled by a BHC or SLHC, or (iii) U.S. bank or U.S. savings association that is not publicly traded and is controlled by a SLHC that is not publicly traded and does not engage solely or predominately in activities that are permitted for financial holding companies under relevant law; other than S Corporations and Mutual Depository Institutions. The term QFI shall not mean any ~~BHC, SLHC, bank or savings association~~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.**

“S Corporation” means any U.S. bank, U.S. savings association, BHC or SLHC organized as a corporation that has made a valid election to be taxed under Subchapter S of the U.S. Internal Revenue Code.

“Mutual Depository Institution” means any U.S. bank, U.S. savings association, BHC or SLHC organized in a mutual form.

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

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 securityholders 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 depository to hold the ~~Senior~~ Preferred and issue depository 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. For ~~Senior~~ Preferred issued by banks which are not subsidiaries of holding companies, the ~~Senior~~ Preferred will pay non-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: ~~Senior~~ Preferred may not be redeemed for a period of three years from the date of this investment, except with the proceeds from a Qualified Equity Offering (as defined below), which results in aggregate gross proceeds to the QFI of not less than 25% of the issue price of the ~~Senior~~ Preferred. After the third anniversary of the date of this investment, the ~~Senior~~ Preferred may be redeemed, in whole or in part, at any time and from time to time, at the option of the QFI. All redemptions of the ~~Senior~~ Preferred shall be at 100% of its issue price, plus (i) in the case of cumulative ~~Senior~~ Preferred, any accrued and unpaid dividends and (ii) in the case of ~~nonecumulative~~ ~~Senior~~ non-cumulative Preferred, accrued and unpaid dividends for the then current dividend period (regardless of whether any dividends are actually declared for such dividend period), ~~and~~ All redemptions shall be subject to the approval of the QFI's primary federal bank regulator.

“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. ~~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 (other than any sales made pursuant to agreements or arrangements entered into, or pursuant to financing plans which were publicly announced, on or prior to November 17, 2008).~~

**Restrictions
on Dividends:**

~~For~~ Subject to certain exceptions, 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 (i) in the case of cumulative ~~Senior~~ Preferred all accrued and unpaid dividends for all past dividend periods on the ~~Senior~~ Preferred are fully paid or (ii) in the case of non-cumulative ~~Senior~~ Preferred the full dividend for the latest completed dividend period has been declared and paid in full.

**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.~~ 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 ~~Senior~~ Preferred and Warrant Preferred to third parties.

Repurchases:

The UST's consent shall be required for any ~~share~~ repurchases of equity securities or trust preferred securities (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 ~~thirdtenth~~ anniversary of the date of this investment unless prior to such ~~thirdtenth~~ anniversary the ~~Senior~~ Preferred is and the Warrant Preferred are redeemed in whole or the UST has transferred all of the ~~Senior~~ 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 ~~Senior~~ 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 ~~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 (i) all prior dividend periods in the case of cumulative Preferred or (ii) four consecutive dividend periods in the case of noncumulative Preferred.

Transferability: The ~~Senior~~ Preferred will not be subject to any contractual restrictions on transfer. ~~The 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 ~~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~~ In addition, the UST and its transferees shall have piggyback registration rights for the ~~Senior~~-Preferred ~~and will.~~ Subject to the above, the QFI shall take ~~such other~~ all 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 depository to hold the Senior Preferred and issue depository receipts~~ Preferred.

Executive

Compensation: As a condition to the closing of this investment, the QFI and its senior executive officers covered by the EESA shall modify or terminate all

benefit plans, arrangements and agreements (including golden parachute agreements) to the extent necessary to be in compliance with, and following the closing and for so long as UST holds any equity or debt securities of the QFI, the QFI shall agree to be bound by, the executive compensation and corporate governance requirements of Section 111 of the EESA and any guidance or regulations issued by the Secretary of the Treasury on or prior to the date of this investment to carry out the provisions of such subsection. As an additional condition to closing, the QFI and its senior executive officers covered by the EESA shall grant to the UST a waiver releasing the UST from any claims that the QFI and such senior executive officers may otherwise have as a result of the issuance of any regulations which modify the terms of benefits plans, arrangements and agreements to eliminate any provisions that would not be in compliance with the executive compensation and corporate governance requirements of Section 111 of the EESA and any guidance or regulations issued by the Secretary of the Treasury on or prior to the date of this investment to carry out the provisions of such subsection.

Related Party

Transactions: For as long as the UST holds any equity securities of the QFI, the QFI and its subsidiaries will not enter into transactions with related persons (within the meaning of Item 404 under the SEC's Regulation S-K) unless (i) such transactions are on terms no less favorable to the QFI and its subsidiaries than could be obtained from an unaffiliated third party, and (ii) have been approved by the audit committee or comparable body of independent directors of the QFI.

Summary of Warrant Terms

Warrant: The UST will receive warrants to purchase, upon net settlement, a number of net shares of ~~common~~preferred stock of the QFI (the "Warrant Preferred") having an aggregate ~~market price~~liquidation preference equal to ~~155%~~ 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 of the Senior Preferred investment (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~~ 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 ~~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 and (ii) December 31, 2009. The~~ 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 ~~common stock~~ Warrant Preferred 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~~ In addition, the UST and its transferees shall have piggyback registration rights for the warrants and the ~~common stock underlying the warrants and will take such other~~ 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 ~~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.~~ or the Warrant Preferred.

~~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.~~

Document comparison done by Workshare DeltaView on Monday, November 17, 2008 5:49:05 PM

Input:	
Document 1	PowerDocs://GENERAL/2525778/1
Document 2	PowerDocs://GENERAL/2525778/2
Rendering set	standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
Moved to	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	63
Deletions	77
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	140