



LAW OFFICES OF BURTON L. RAIMI, P.A.

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Mergers and Acquisitions

Bank Merger Contract Terms And Basic Documents

Below is a partial list of the more significant documents and filings which must be produced and the steps which must be taken to accomplish a merger or acquisition transaction.

Address clean-up issues at non-surviving bank -- Identify any employment agreements, golden parachute agreements, etc. that will be triggered by the transaction and, if there are no such agreements, determine if such agreements should be drafted. Counsel Board of Directors, senior officers regarding conduct during negotiations and pending announcement.

Letter of Intent -- If the terms are clear, this step may be skipped and parties can move toward definitive agreement. If the terms of the transaction are not clear, the basic terms should be set down early to avoid confusion later. Also consider if you want a binding or non-binding letter of intent.

Acquisition Agreement -- See below regarding the structure of agreement.

Press Releases after signing Acquisition Agreement

Fairness Opinion -- A professional opinion regarding the values of the institution.

Application to the Federal Reserve for Holding Company to acquire Bank

Bank Merger Applications to be filed with Appropriate Bank Regulatory Authorities

Hart/Scott/Rodino Filing with Federal Trade Commission -- if required.

SEC S-4 Registration Statement--Combination Proxy Statement/Prospectus -- if shares are registered or to be registered.

Listing Applications -- NASDAQ/American/New York Stock Exchange, as applicable.

Closing Documents

OUTLINE OF BASIC PROVISIONS OF A MERGER OR ACQUISITION AGREEMENT

- I. Basic terms of the transaction, including purchase price and method of payment.
 - A. Merger or Purchase of Assets and Assumption of Liabilities?
 - B. Stock or cash purchase price.
- II. Representations and Warranties of Seller.[1]
- III. Representations and Warranties of Buyer.[2]
- IV. Operations of the non-surviving entity prior to the closing.
- V. Conditions precedent to closing.

- A. Regulatory approvals
- B. Shareholder approvals
- C. No material changes
- D. Matters relating to leases
- E. Opinions of Counsel
- VI. Obligations of parties after closing.
- VII. Termination and Remedies for termination and/or breach.
- VIII. Indemnification, if appropriate.
- IX. Miscellaneous provisions.

[1] These will cover: power and authority, other agreements, financial statements, personal property, leases and leasehold improvements, environmental issues, litigation, compliance with laws, employees and benefits, condition of loan portfolio and such other items as are relevant to this transaction.

[2] See footnote 1.

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