

APPLICATION
by
FLAGSTAR BANK, FSB
to the
OFFICE OF THE COMPTROLLER OF THE CURRENCY
in connection with
the purchase of certain assets and assumption of certain liabilities
related to certain branches of
WELLS FARGO BANK, NATIONAL ASSOCIATION

Volume A

June 12, 2018

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REQUEST FOR CONFIDENTIAL TREATMENT

The parties respectfully request confidential treatment for the information included in the confidential portion of these applications and in any other documents marked "confidential" or for which confidential treatment may otherwise be requested (the "Confidential Material"). The Confidential Material contains highly sensitive, non-public, business, financial, and personal information regarding the parties to the proposed transactions. The Confidential Material includes information regarding business and investment plans that are not otherwise available to the public, counterparties, and competitors. Disclosure of the Confidential Material would create a competitive disadvantage for the parties and a personal safety risk for individuals named herein. If they obtained Confidential Material, competitors and other market participants would be able to develop business and investment strategies to the disadvantage of the parties. Moreover, disclosure of the Confidential Material would weaken the parties' ability to provide comprehensive and detailed information as part of the important confidential supervisory relationship.

Accordingly, the Confidential Material is exempt from disclosure under the Freedom of Information Act (5 U.S.C. § 552(b)(4), (6)), analogous state laws, and their implementing regulations. The Confidential Material may also be exempt from disclosure under other provisions of law. The parties request that the agencies notify them of any request for disclosure of the Confidential Material and, prior to any such disclosure, provide the parties with an opportunity to respond.

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EXHIBIT 1

Overview

Overview

1 Introduction

This application relates to a proposal by Flagstar Bank, FSB (the "Bank") to purchase certain assets and assume certain liabilities related to fifty-two branches (the "Branches") located in Indiana, Ohio, Michigan, and Wisconsin of Wells Fargo Bank, National Association ("Wells") (the "Branch Purchase"). The Branch Purchase does not involve any change in senior executive officers, directors, shareholders, or corporate governance of the Bank. The Branch Purchase is consistent with the Bank's strategy to build a safe and sound community banking franchise.

The Bank hereby requests:

- approval of the Office of the Comptroller of the Currency ("OCC") for the Branch Purchase under the Bank Merger Act;
- approval of the OCC to establish each of the Branches as branches of the Bank; and
- such other approvals or consents as may be deemed necessary in connection with the transactions described in these materials.

The Bank respectfully requests action on this application on or before August 30, 2018.

2 Flagstar Bank, FSB

The Bank is a federally chartered stock savings bank headquartered in Troy, Michigan. The Bank provides commercial, small business, and consumer banking services. The Bank currently operates 107 full service banking branches throughout Michigan's major markets and in San Bernardino County, California.¹ The Bank also operates a nationwide mortgage origination and servicing business. The Bank is a wholly owned subsidiary of Flagstar Bancorp, Inc. ("Bancorp"), which is a savings and loan holding company. Bancorp's common stock is listed on the NYSE under the symbol "FBC."

As of March 31, 2018, the Bank had total assets of \$17.7 billion, deposits of \$10.3 billion, and 3,659 full-time equivalent employees. Summary financial information for the Bank is provided in the table below. Additional information about the Bank is available at <www.flagstar.com>.

¹ By letter dated January 22, 2018, the OCC approved the Bank's acquisition of eight branches in San Bernardino County, California, in a purchase and assumption transaction with East West Bank.

<i>Flagstar Bank, FSB</i> <i>Summary Financial Information</i> <i>3/31/18</i> <i>(\$ 000s)</i>	
Total assets	17,677,688
Total liabilities	16,014,031
Total deposits	10,283,923
Total equity capital	1,663,657
Tier 1 leverage ratio	9.08%
Common equity tier 1 capital ratio	13.42%
Tier 1 capital ratio	13.42%
Total capital ratio	14.66%
Net income (Q1 2018)	41,871

3 The Branch Purchase

The Bank proposes to acquire certain assets and assume certain liabilities related to the Branches, which are located in Indiana, Ohio, Michigan, and Wisconsin. A schedule showing the locations of the Branches is provided at Exhibit 4. As of the closing, the Bank will acquire from Wells approximately \$160 million of assets, including certain loans, real property, fixed assets, and cash on hand associated with the Branches. The Bank will assume from Wells approximately \$2.3 billion of deposits associated with the Branches.

3.1 Business Rationale

The Bank's strategy is to establish itself as a premier community bank serving local residents, small and medium sized businesses, and retail clients. This strategy entails providing traditional community bank services to residents, small and medium sized businesses, and retail clients in its branch footprint, while simultaneously diversifying its earnings sources through nationwide mortgage origination and servicing. The Bank has been successful in executing this strategy over several years.

The Branch Purchase will allow the Bank to expand its branch footprint into adjacent markets in Indiana, Ohio, Wisconsin and the upper peninsula of Michigan. Through the transaction, the Bank will assume successful Branches with the potential to grow future deposits that will assist in further optimizing the Bank's balance sheet. The expanded branch footprint will also provide additional stable core deposit funding and also mitigate geographic concentration risk. By engaging in the Branch Purchase, the Bank is able to achieve these benefits at a lower cost and with greater certainty than it could through a broad-based de novo branching strategy.

The Branch Purchase is consistent with this strategy for the following reasons:

- The Branches are in Indiana, Ohio, Michigan and Wisconsin. The locations of the Branches are adjacent to, and complement, the Bank's current geographic footprint in Michigan. Expansion of the Bank's regional branch network will allow for more convenient banking for the Bank's existing retail and business clients in the Great Lakes region.
- The Branch Purchase will provide opportunities to leverage the Bank's senior executive officers' experience, reduce operating expenses, and utilize the scalable infrastructure already in place at the Bank.
- Management believes that the Indiana, Ohio, and Wisconsin markets provide opportunities for prudent loan growth, which can be supported by the Bank's existing underwriting, credit, and loan administration functions.
- The Branch Purchase is consistent with the Bank's philosophy of service to community and provides a solid foundation for growth. The Branch Purchase will enhance the Bank's standing as an attractive alternative to large nationwide banks.
- The Bank has demonstrated its ability to successfully integrate acquired branches.
- After the Branch Purchase, the Bank will remain well capitalized and profitable, even after the absorption of initial acquisition costs.
- The Branch Purchase is expected to increase earnings.

For these reasons, the Bank's board and senior management believe the Branch Purchase is in the best interests of the Bank, its future prospects, and its safety and soundness.

3.2 Key Diligence Findings

The Bank conducted a diligence review of the Branches and is comfortable that it can prudently integrate and manage the acquired assets, operations, and business. A summary of the Bank's key diligence findings is provided at Exhibit 8.

3.3 Terms and Legal Structure

The Branch Purchase will take the form of a purchase of assets and assumption of liabilities. The terms of the Branch Purchase are set forth in the executed Purchase and Assumption Agreement (the "Agreement"), which is provided at Exhibit 12. The key components of the Branch Purchase are as follows:

- The Bank will assume from Wells approximately \$2.3 billion of deposits, which represents substantially all of the deposit liabilities of the Branches.²

² As provided for in the Agreement, the Branch Purchase will exclude deposits (i) due to be escheated in accordance with Wells' policies and procedures, (ii) associated with certain retained businesses, (iii) held as security for a loan that is not a purchased loan, or (iv) of employees retained by Wells.

- The Bank will acquire from Wells approximately \$160 million of assets, which represents certain loans, real property, fixed assets, and cash on hand as of closing associated with the Branches. As a result of the Branch Purchase, the Branches will become additional branches of the Bank.
- Wells will make a cash payment to the Bank in an amount generally equal to the amount of assumed deposit liabilities less the sum of (i) the net book value of acquired assets, (ii) the amount of cash on hand at the Branches and ATMs, and (iii) a total premium of approximately 7%, as calculated pursuant to Schedule F of the Agreement. The deposit premium effectively represents the consideration paid by the Bank to Wells for the Branch Purchase.
- Prior to the closing, and under the terms of section 8.1(a) of the Agreement, the Bank will generally make offers of employment to qualified employees who have retail or direct retail support responsibilities at the Branches.

The Branch Purchase will not result in any change in the senior executive officers or board of the Bank. The Bank will not acquire any legal entities as a result of the Branch Purchase. Corporate governance resolutions approving the Branch Purchase are provided at Exhibit 11.

4 Regulatory and Legal Considerations

The Branch Purchase requires prior approval of the OCC pursuant to the Bank Merger Act at 12 USC 1828(c)(2)(A).³ A completed Interagency Bank Merger Act application is provided at Exhibit 2. The following sections address some of the important statutory and regulatory factors that are to be considered in evaluating this application.

4.1 Financial Resources

The strong capital base, earnings, and future prospects of the Bank support approval of this application. The current and projected financial condition of the Bank demonstrate capital in excess of well capitalized levels. The future prospects of the Bank are strong. The Bank has been profitable in each of the past three years. The Branch Purchase will enhance the Bank's profitability and financial condition through expansion of its footprint and stable deposit funding in Michigan and into Indiana, Ohio, and Wisconsin. Under conservative assumptions, the core profitability and financial condition of the Bank are projected to remain strong. Further information on capital and other financial information for the Bank on a *pro forma* basis is provided in Exhibit 7.

4.2 Managerial Resources

The Branch Purchase will not result in any changes in the senior executive officers or board of the Bank. The competence, experience, and integrity of the officers and directors of the Bank support approval of this application. The senior executive officers of the Bank have the executive level experience to manage strategic direction and the practical skills to integrate the Branches and operate a growing institution. The Bank's senior executive officers have demonstrated the ability to properly manage growth and to execute and integrate acquisitions. In the past year, the Bank smoothly and successfully completed the acquisition, integration, and conversion of eight branches from East West Bank. The Bank has a highly qualified board of directors. Information regarding the senior executive officers and directors of the Bank is provided at Exhibit 10.

³ The Branch Purchase does not require prior approval of the Board of Governors of the Federal Reserve. See 12 CFR 225.12(d)(1).

4.3 Convenience and Needs of the Community

The Bank's record of meeting the convenience and needs of the communities in which it operates support approval of these applications. The Branch Purchase will expand the Bank's branch network in the Great Lakes region and provide increased convenience to customers. Deposit customers of the Branches will be migrated to analogous product and service offerings of the Bank.

The Branches will be integrated into the Bank's Community Reinvestment Act ("CRA") plan, and the Bank will remain committed to meeting the credit needs of the community in which it operates, including the needs of low- to moderate-income geographies and individuals in full compliance with the CRA. The Bank received a "Satisfactory" rating in its most recent examination under the CRA. The acquisition of the Branches will increase the Bank's current assessment areas across the Bank's geographic footprint, including Michigan, Ohio, Indiana, and Wisconsin, to a total of 20 assessment areas.⁴ These will include 12 assessment areas in Michigan, one assessment area in California, four assessment areas in Indiana, two assessment areas in Wisconsin and one assessment area in Ohio, as shown in Exhibit 6. As further described in Item 8 of Exhibit 2, the Bank will apply its home lending, community banking, community development lending and investment, and community development service programs to each of these new assessment areas.

4.4 Financial Stability

Section 604 of the Dodd-Frank Act added as a statutory consideration risk to the stability of the United States banking or financial system. The Branch Purchase does not increase systemic risk or adversely affect financial stability. The proposed transaction is a branch acquisition by a community bank. Among other things, the proposed transaction is an acquisition of less than \$10 billion of assets and results in a combined institution with less than \$100 billion of assets.⁵

The Bank does not engage in complex, unusual, or unique activities for which there are few substitutes. The Bank does not engage in any material cross-border transactions, or underwriting or dealing in securities or derivatives. The Branch Purchase does not increase the complexity or interconnectedness of U.S. financial system. The Bank will remain a domestic bank that, in the event of failure, could be readily resolved by the FDIC in its traditional capacity as receiver.

⁴ The Bank delineates its CRA assessment areas to include geographies in which the bank has its main office, its branches, its deposit-taking ATMs, and the surrounding geographic areas in which the Bank has originated or purchased a substantial portion of its loans. The Bank's policy is to use whole counties as the smallest geographical unit when defining its CRA assessment areas.

⁵ See Federal Reserve Board Order Approving People's United Financial, Inc. to Acquire Suffolk Bancorp (Mar. 16, 2017) ("[T]he Board's experience has shown that proposals involving an acquisition of less than \$10 billion in assets, or that result in a firm with less than \$100 billion in total assets, are generally not likely to create institutions that pose systemic risks. Transactions below either of these asset thresholds have typically not involved, or resulted in, firms with activities, structures, and operations that are complex or opaque. Such transactions have also not materially increased the interconnectedness or complexity of the financial system. Accordingly, the Board now presumes that a proposal does not raise material financial stability concerns if the assets involved fall below either of the aforementioned size thresholds, absent evidence that the transaction would result in a significant increase in interconnectedness, complexity, cross-border activities, or other risk factors.").

4.5 Effect on Competition

The Branch Purchase will not result in a monopoly or have a negative effect on competition in any relevant market. The Branches are located in a number of banking markets defined by the applicable Federal Reserve Bank.⁶ The only such market in which the Bank currently maintains a branch is the Elkhart/Niles/South Bend, IN banking market. In that market, and assuming weighting of thrift institution deposits at 50% consistent with banking agency guidelines, the Branch Purchase would increase the HHI in this single banking market by just 40 points to 1,359. This change and post-transaction HHI is well below the longstanding screening thresholds established under banking agency guidelines. Competitive data for the Elkhart/Niles/South Bend banking market is provided at Exhibit 5.

4.6 Anti-Money Laundering

The Branches will become subject to the Bank's anti-money laundering program. The Bank has, and will continue to have, a strong record in preventing money laundering and terrorism financing. The Bank maintains an anti-money laundering program as required by the Bank Secrecy Act and USA PATRIOT Act. The Bank has made investments to ensure that its anti-money laundering infrastructure is scalable to accommodate growth.

4.7 Impact on the Deposit Insurance Fund

The transaction will decrease risk to the Deposit Insurance Fund. After the Branch Purchase, the Bank will remain well capitalized and will continue to meet the expectations for a satisfactory institution. The Branch Purchase will enhance the Bank's franchise and improve its future prospects, thereby further reducing any risk to the Deposit Insurance Fund. Further information on capital and other financial information for the Bank on a *pro forma* basis is provided in Exhibit 7.

5. Conclusion

Approval of this application is supported by the regulatory considerations discussed above. The Branch Purchase is consistent with the strategy of the Bank to build a strong community banking franchise. The Bank is, and will continue to be, a well-capitalized, profitable, and satisfactory institution committed to serving the needs of its communities. The Branch Purchase will contribute to its financial condition and future prospects.

The parties respectfully request that the OCC approve this application on or before August 30, 2018.

⁶ The Branches are located in the following Federal Reserve banking markets: Calumet, MI; Escabana, MI; Elkhart/Niles/South Bend, IN; Fort Wayne, IN; Gary/Hammond, IN; Green Bay, WI; Hurley/Ironwood, WI-MI; Indianapolis, IN; Lafayette, IN; Marinette, WI; Marquette, MI; Peru, IN; Rochester, IN; Stambaugh, MI; Van Wert County, OH; and Wabash County, IN.

EXHIBIT 2

Interagency Bank Merger Act Application

INTERAGENCY BANK MERGER ACT APPLICATION

Check all that apply:

Type of Filing	Form of Transaction	Filed Pursuant To
<input type="checkbox"/> Affiliate/Business Reorg	<input type="checkbox"/> Merger	X 12 USC 1828(c)
<input type="checkbox"/> Combination with Interim Depository Institution	<input type="checkbox"/> Consolidation	<input type="checkbox"/> 12 USC 1815(d)(2)
X Nonaffiliate Combination	X Purchase and Assumption	<input type="checkbox"/> 12 USC 1815(d)(3)
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Purchase of Assets Only	<input type="checkbox"/> 12 USC 215, 215a
	<input type="checkbox"/> Other: _____	<input type="checkbox"/> 12 USC 215a-1
		<input type="checkbox"/> 12 USC 215a-3
		<input type="checkbox"/> 12 USC 215c
		<input type="checkbox"/> Other

Applicant Depository Institution

Flagstar Bank, FSB

FDIC #32541 / Charter #807412

5151 Corporate Drive

Troy, Michigan 48098-2639

Target Institution*certain assets and liabilities related to fifty-two branches of*

Wells Fargo Bank, National Association

FDIC #3511 / Charter #0001

101 N. Phillips Avenue

Sioux Falls, SD 57104

Resultant Institution (if different than Applicant)*same as applicant***Contact Persons**

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INTERAGENCY BANK MERGER ACT APPLICATION

- 1. Describe the transaction's purpose, structure, significant terms and conditions, and financing arrangements, including any plan to raise additional equity or incur debt. Also provide the approximate approval date needed to consummate.**

The purpose, structure, and significant terms and conditions of the Branch Purchase are described in the Overview at Exhibit 1. The parties respectfully request that the OCC approve this application on or before August 30, 2018.

- 2. Provide a copy of (a) the executed merger or transaction agreement, including any amendments, (b) any board of directors' resolutions related to the transaction, and (c) interim charter, names of organizers, and related documents, if applicable.**

A copy of the executed Agreement is provided at Exhibit 12. Copies of corporate governance approvals are provided at Exhibit 11. The Branch Purchase does not involve an interim charter.

- 3. Describe any issues regarding the permissibility of the proposal with regard to applicable state or Federal laws or regulations (for example, nonbank activities, branching, qualified thrift lender's test).**

The Bank is not aware of any issues regarding the permissibility of the Branch Purchase under applicable state or federal laws or regulations.

The Bank is a federal savings bank with its home state in Michigan. As a result of the Branch Purchase, the Bank will acquire and maintain branches in three additional states: Indiana, Ohio, and Wisconsin.

The Home Owners' Loan Act grants federal savings banks broad authority to establish and maintain interstate branches under either of two approaches. First, section 1464(r)(1) permits a federal savings bank to establish a branch outside its home state regardless of state law provided that the federal savings bank satisfies the qualified thrift lender test on both an institution-wide basis and a state-by-state basis. Second, section 1464(r)(2) permits a federal savings bank to establish a branch outside its home state if the laws of the host state would permit a similarly situated state savings bank to establish such a branch.

The Bank will establish the Branches pursuant to section 1464(r)(2). As described below, the laws of each of Indiana, Ohio, and Wisconsin would permit a state savings bank with its home state of Michigan to establish a branch in that respective state. Thus, the Bank may establish the Branches pursuant to section 1464(r)(2), which does not require computation of a state-by-state qualified thrift lender test.

Indiana. Indiana law would permit a Michigan "bank" to establish branches in Indiana.⁷ The definition of "bank" for this purpose includes an FDIC-insured state savings bank.⁸ The authority of an out-of-state savings bank to establish branches in Indiana is not subject to any non-procedural conditions. Thus, as a federal savings bank with its home state as Michigan, the Bank may establish branches in Indiana pursuant to section 1464(r)(2).

Ohio. Ohio law would permit a Michigan "bank" to establish branches in Ohio.⁹ The definition of "bank" for this purpose includes a savings bank.¹⁰ The authority of an out-of-state savings bank to establish branches in Ohio is subject to two non-procedural conditions. First, upon consummation of the transaction, the acquiring bank and its affiliate banks must not control more than 10% of the total deposits in the United States or more than 30% of deposits in Ohio.¹¹ Second, upon consummation of the transaction, the bank must be an insured bank as defined under the Federal Deposit Insurance Act.¹² Both of these conditions are satisfied here. Thus, as a federal savings bank with its home state as Michigan, the Bank may establish branches in Ohio pursuant to section 1464(r)(2).

⁷ See Ind. Code § 28-2-18-20 ("An out-of-state bank that meets the requirements of this chapter may establish and maintain a de novo branch in Indiana."). The requirements of article 2, chapter 18 of the Indiana code are procedural in nature (e.g., providing notice to, and obtaining a certificate of admission from, the Indiana Department of Financial Institutions). For purposes of interstate branching by federal savings banks, these types of procedural steps are preempted by federal law. See 12 C.F.R. § 145.92 (OCC authority "is preemptive of any state law purporting to address the subject of branching by a Federal savings association."); see also OTS Op. Chief Counsel (Jan. 4, 1999) at 7 ("The requirement that a federal savings association must apply for and obtain approval from the State before establishing offices providing trust services conflicts with federal law." (internal citations omitted)) and OTS Op. Chief Counsel (Jul. 26, 1999) at 7-8 ("Moreover, OTS and the [Federal Home Loan Bank Board] have repeatedly opined that state laws that purport to regulate lending activities of federal savings associations are preempted. In particular, state laws that impose license, registration, and approval requirements on federal savings associations as a condition of doing business in a state are preempted." (internal citations omitted)).

⁸ See Ind. Code § 28-6.1-12-2 (defining the term "bank" by reference to the term "insured bank" at 12 U.S.C. § 1813(h), which includes an FDIC-insured state savings bank).

⁹ See Ohio Rev. Code § 1115.05(B) ("[A] bank may acquire banking offices in this state by merger or consolidation with or transfer of assets and liabilities from a bank, savings bank, or savings association that has offices in this state, if, upon consummation of the acquisition, both of [two conditions will apply]").

¹⁰ Ohio Rev. Code § 1101.01(B) (defining "bank" to include a "savings bank, or savings association under authority granted by the office of the comptroller of the currency").

¹¹ Ohio Rev. Code § 1115.05(B)(1) (A bank whose principal place of business is in another state may acquire an Ohio bank or banking offices in Ohio if upon consummation of the acquisition "[t]he acquiring bank with, or the acquiring bank holding company through, its affiliate banks, savings banks, and savings associations, does not control more than ten per cent of the total deposits of banks, savings banks, and savings associations in the United States," and "does not control more than thirty per cent of the total deposits of banks, savings banks, and savings associations in this state.").

¹² Ohio Rev. Code § 1115.05(B)(2) (A bank whose principal place of business is in another state may acquire an Ohio bank or banking offices in Ohio if upon consummation of the acquisition "the Ohio bank or any bank that has banking offices in this state will be an insured bank as defined in section 3(h) of the 'Federal Deposit Insurance Act,' 92 Stat. 614 (1978), 12 U.S.C.A. 1813(h).").

Wisconsin. Wisconsin law would permit a Michigan savings bank to engage in any activity permitted to a Wisconsin savings bank, which would include establishing branches in Wisconsin.¹³ The authority of an out-of-state savings bank to establish branches in Wisconsin is subject to one non-procedural condition. The laws of the other state must permit a Wisconsin bank to establish a branch in that other state.¹⁴ This is sometimes called a "reciprocity condition." The reciprocity condition is satisfied here because the laws of Michigan would permit a Wisconsin savings bank to establish a branch in Michigan.¹⁵ Thus, as a federal savings bank with its home state as Michigan, the Bank may establish branches in Wisconsin pursuant to section 1464(r)(2).

4. Describe any nonconforming or impermissible assets or activities that Applicant or Resultant Institution may not be permitted to retain under relevant law or regulation, including the method of and anticipated time period for divestiture or disposal.

The Bank is not aware of any nonconforming or impermissible assets or activities that it may not be permitted to retain under relevant law or regulation.

5. Provide the indicated financial information and describe the assumptions used to prepare the projected statements, including those about the effect of the merger transaction. Material changes between the date of the financial statements and the date of the application should be disclosed. If there are no material changes, a statement to that effect should be made.

- a. **Pro Forma Balance Sheet, as of the end of the most recent quarter and for the first year of operation after the transaction. Indicate separately for the Applicant and Target Institution each principal group of assets, liabilities, and capital accounts; debit and credit adjustments (explained by footnotes) reflecting the proposed acquisition; and the resulting pro forma combined balance sheet. Goodwill and all other intangible assets should be listed separately on the balance sheet. Indicate the amortization period and method used for any intangible asset and the accretion period of any purchase discount on the balance sheet.**
- b. **Projected Combined Statement of Income for the first year of operation following consummation.**

¹³ Wis. Stat. § 214.772(1)-(3) (stating that a "foreign savings bank" defined as "a savings bank organized under the laws of another state or territory" may engage in "those activities that a [Wisconsin] savings bank may engage in"). Wis. Stat. § 214.06(1) ("[A] [Wisconsin] savings bank may establish one or more branch offices ... in ... [t]his state"). Note also that Section 214.06(1)(b) further permits a Wisconsin savings bank to establish branches in the "geographic area," including Michigan. Wis. Stat. § 214.01(k) ("'Geographic area' means the states of Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Missouri and Ohio.").

¹⁴ Wis. Stat. § 214.772(7) ("If the laws of another jurisdiction prohibit a savings bank from doing business in that jurisdiction, a foreign savings bank organized under the laws of that jurisdiction may not be authorized to do business in this state.")

¹⁵ Mich. Comp. Laws § 487.3417(7) ("An out-of-state savings bank or federal savings bank located in a state, the District of Columbia, or a territory or protectorate of the United States whose laws permit the establishment in that state, district, territory, or protectorate of a branch by a savings bank may establish and operate 1 or more branches in this state.").

c. Pro Forma and Projected Regulatory Capital Schedule, as of the end of the most recent quarter and for the first year of operation, indicating:

- **Each component item for Tier 1 (Core) and Tier 2 (Supplementary) Capital, Subtotal for Tier 1 and Tier 2 Capital (less any investment in unconsolidated or nonincludable subsidiaries), Total Capital (include Tier 3 if applicable).**
- **Total risk-weighted assets.**
- **Capital Ratios: (1) Tier 1 capital to total risk-weighted assets; (2) Total capital to total risk-weighted assets; and (3) Tier 1 capital to average total consolidated assets (leverage ratio).**

Pro forma and projected financial information is provided at Exhibit 7.

6. List the directors and senior executive officers of the Resultant Institution and provide the name, address, position with and shares held in Resultant Institution or holding company, and principal occupation (if a director).

The Branch Purchase will not result in any change in the directors or senior executive officers of the Bank. Information regarding the directors and senior executive officers of the Bank is provided at Exhibit 10.

7. Describe how the proposal will meet the convenience and needs of the community. For the combining institutions, list any significant anticipated changes in services or products that will result from the consummation of the transaction. If any services or products will be discontinued, describe and explain the reasons.

The convenience and needs of the community support approval of these applications. The Branch Purchase will expand the Bank's branch network in the Great Lakes region and provide increased convenience to customers. The Bank offers a wide variety of banking products and services to its current customers, and intends to offer such suite of products and services to the Branches' customers as soon as practicable after consummation of the transaction. Customers of the Branches will be migrated to the analogous and appropriate product and service offerings of the Bank. The Bank does not currently contemplate the need to discontinue any product or service categories available to the Branch customers that it will take on as part of the Branch Purchase.

8. Discuss the programs, products, and activities of the Applicant or the Resultant Institution that will meet the existing or anticipated needs of its community(ies) under the applicable criteria of the Community Reinvestment Act (CRA) regulation, including the needs of low- and moderate-income geographies and individuals.

The Bank has a number of lending, deposit, and service activities that meet the existing and anticipated needs of low- to moderate-income residents and communities consistent with the CRA. The Bank's efforts include meeting with non-profit housing, small business, and community representatives to ascertain community credit needs and to participate in providing philanthropic and employee volunteer activities, including financial education services.

Home Lending: The Bank provides low- to moderate-income borrowers with an array of products to encourage homeownership. These products include those offered through programs

administered by the Federal Housing Authority, Veteran's Administration, Fannie Mae, Freddie Mac, and the Michigan State Housing Development Agency and offer low down payment options and attractive terms for eligible borrowers. The Bank also offers a portfolio loan product that helps low- to moderate-income borrowers who require down payment assistance and more flexible terms. The Bank is one of the initial five banks that collaborated to create a mortgage loan product to address the appraisal gap in the City of Detroit. The Bank developed a similar product to address the needs of low- to moderate-income borrowers in the City of Pontiac. The Bank's down payment assistance program provides further support for low- to moderate-income borrowers seeking homeownership and can be used with a variety of loan products.

Community Banking: The Bank offers a low-cost checking account that has been certified by the Cities For Financial Empowerment Fund ("CFE Fund") National Bank On ("Bank On") program. Bank On addresses the issues of account cost, functionality, and consumer protection through its Bank On National Account Standards. These standards, published every two years by the CFE Fund, serve as the basis for a free and independent certification for which financial institutions may apply.

Community Development Lending and Investment: The Bank seeks community development lending opportunities in low- to moderate-income communities to assist in creating affordable, multi-family housing units, supporting economic development, and job creation throughout its assessment areas. The Bank makes CRA investments in Low Income Housing Tax Credit ("LIHTC") multi-investor funds, Small Business Investment Corporations, and Community Development Financial Institutions to support affordable housing and small businesses within its assessment areas. In January 2018, the Bank hired a CRA Community Development Lending Specialist to assist with its strategic CRA lending efforts. The Bank is exploring the requirements to make direct investments in LIHTC projects to enhance its ability to compete for CRA projects. The Bank supports small business start-ups through an investment in the Pontiac Small Business Advisory Council in the City of Pontiac. This pilot program works in conjunction with the Oakland County Small Business Development Corporation to provide start-ups and small businesses funding for which they are unable to qualify through traditional methods. The Bank will continue to invest in these and other small business programs to support small- and micro-lending initiatives. The Flagstar Foundation provides support to non-profit organizations within the Bank's assessment areas that focus on job creation, including apprenticeship and workforce readiness, career development, skilled trades and financial education initiatives to help improve the quality of living in low- to moderate-income communities. The Bank's executives volunteer as board members on many of these organizations and provide valuable business advice.

Community Development Service: The Bank has an active employee volunteer program. Approximately 3,000 Bank employees provide thousands of hours of volunteer service annually to support activities for senior citizens, low- to moderate-income families, and communities. The Bank's CRA Loan Officer works with the community organizations and conducts regular homebuyer education workshops throughout the Bank's assessment areas.

The Bank will identify community representatives to serve on the Bank's Advisory Council that have local and regional knowledge of the Bank's market needs in the assessment areas in which the branches are located. This will ensure the Bank is collecting market intelligence and ascertaining community credit needs across all of its assessment areas, including those of the Branches.

For an Applicant or Target Institution that has received a CRA composite rating of "needs to improve" or "substantial noncompliance" institution-wide or, where applicable, in a

state or a multi-state MSA, or has received an evaluation of less than satisfactory performance in an MSA or in the non-MSA portion of a state in which the applicant is expanding as a result of the combination, describe the specific actions, if any, that have been taken to address the deficiencies in the institution's CRA performance record since the rating.

The Branches will be integrated into the Bank's CRA program described above, and the Bank will remain committed to meeting the credit needs of all of the communities in which it operates, including the needs of low- to moderate-income geographies and individuals in full compliance with the CRA. The Bank received a "Satisfactory" rating in its most recent examination under the CRA.

Acquisition of the Branches will increase the Bank's current assessment areas across its geographic footprint, including Michigan, Ohio, Indiana, and Wisconsin, to a total of 20 assessment areas.¹⁶ These will include 12 assessment areas in Michigan, one assessment area in California, four assessment areas in Indiana, two assessment areas in Wisconsin and one assessment area in Ohio, as shown in Exhibit 6. The programs described above will be provided to low- to moderate-income communities in these 20 assessment areas.

In the assessment areas where the Branches are located, Wells received on its most recent CRA examination a rating of either "Satisfactory" (Indiana and Ohio) or "Outstanding" (Michigan and Wisconsin).¹⁷

- 9. The Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 imposes additional considerations for certain interstate mergers between insured banks. Savings associations are not subject to 12 U.S.C. 1831u. If subject to these provisions, discuss authority; compliance with state age limits and host state(s) filing requirements; and applicability of nationwide and statewide concentration limits. In addition, discuss any other restrictions that the states seek to apply (including state antitrust restrictions).**

Not applicable. The Riegle-Neal Act governs certain transactions between "insured banks." The Bank is a federal savings association. A discussion of the authority for the Branch Purchase under federal and state law is provided in response to Item 3.

- 10. List all offices that: (a) will be established or retained as branches, including the main office, of the Target Institution, (b) are approved but unopened branch(es) of the Target Institution, including the date the current federal and state agencies granted approval(s), and (c) are existing branches that will be closed as a result of the proposal to the extent the information is available and indicate the effect on the branch customers served. For each branch, list the popular name, street address, city, county, state, and ZIP code.**

¹⁶ The Bank delineates its CRA assessment areas to include geographies in which the bank has its main office, its branches, its deposit taking ATMs, and the surrounding geographic areas in which the Bank has originated or purchased a substantial portion of its loans. The Bank's policy is to use whole counties as the smallest geographical unit when defining its CRA assessment areas.

¹⁷ Although Wells received an overall rating of "Needs to Improve" on its most recent CRA examination, the Bank respectfully submits that the assessment areas in which the Branches are located is the appropriate reference for the purposes of evaluating this application. Moreover, the overall performance level of Wells was "Outstanding" with respect to Lending and Investment Tests, and "High Satisfactory" with respect to the Service Test.

As a result of the Branch Purchase, the Bank will establish fifty-two additional branches in Indiana, Michigan, Ohio, and Wisconsin. The locations of the Branches are provided at Exhibit 4. The Bank requests the OCC's approval to retain each of the Branches as branches of the Bank.

The Bank does not currently anticipate consolidating or selling any of its existing branches or any of the Branches. If the Bank later determines to consolidate or sell any branch, then any such consolidation or sale would comply with applicable regulatory requirements.

- 11. As a result of this transaction, if the Applicant will be or will become affiliated with a company engaged in insurance activities that is subject to supervision by a state insurance regulator, provide:**
- a. The name of company.**
 - b. A description of the insurance activity that the company is engaged in and has plans to conduct.**
 - c. A list of each state and the lines of business in that state in which the company holds, or will hold, an insurance license. Indicate the state where the company holds a resident license or charter, as applicable.**

Not applicable. The Bank will not become affiliated with any company engaged in insurance activities subject to supervision by a state insurance regulator.

If a nonaffiliate transaction, the Applicant also must reply to items 12 through 14.

- 12. Discuss the effects of the proposed transaction on existing competition in the relevant geographic market(s) where Applicant and Target Institution operate. Applicant should contact the appropriate regulatory agency for specific instructions to complete the competitive analysis.**

The Branch Purchase will not result in a monopoly or have a negative effect on competition in any relevant market. A competitive analysis is provided at Exhibit 5.

- 13. If the proposed transaction involves a branch sale or any other divestiture of all or any portion of the bank, savings association or nonbank company (in the case of a merger under 12 U.S.C. 1828(c)(1)) to mitigate competitive effects, discuss the timing, purchaser, and other specific information.**

Not applicable. The Branch Purchase does not involve a branch sale or other divestiture to mitigate competitive effects.

- 14. Describe any management interlocking relationships (12 U.S.C. 3201-3208) that currently exist or would exist following consummation. Include a discussion of the permissibility of the interlock with regard to relevant laws and regulations.**

Not applicable. The Bank is not aware of any existing or pro forma management interlocks that would be created by the Branch Purchase.

COMPTROLLER OF THE CURRENCY

OFFICE OF THRIFT SUPERVISION

SUPPLEMENT TO INTERAGENCY BANK MERGER ACT APPLICATION

All OCC Applicants should provide the following supplemental information with their application:

- 15. If any of the combining institutions have entered into commitments with community organizations, civic associations, or similar entities concerning providing banking services to the community, describe the commitment.**

Not applicable. Neither the Bank nor Wells has entered into any such commitments in connection with the Branch Purchase.

- 16. If the Resultant Institution will not assume the obligations entered into by the Target Institution, explain the reasons and describe the impact on the communities to be affected.**

Not applicable.

- 17. If acquiring a non-national bank subsidiary, provide the information and analysis of the subsidiary's activities that would be required if it were established pursuant to 12 C.F.R. 5.34 or 5.39.**

Not applicable. The Bank is not acquiring any subsidiaries of Wells.

The Financial Stability Factor Addendum

The Bank Merger Act, as amended by Section 604 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, requires the OCC to consider "the risk to the stability of the United States banking or financial system" when reviewing transactions subject to the Bank Merger Act.

For purposes of analyzing the financial stability factors, the Branch Purchase qualifies for the "first tier" under OCC guidelines because the Bank, following the Branch Purchase, will have pro forma assets less than \$25 billion. Accordingly, the Bank addresses briefly the following questions:

1. Discuss whether the transaction will result in a material increase in risks to financial system stability due to an increase in size of the combining firms.

The Branch Purchase does not increase systemic risk or adversely affect financial stability. The proposed transaction is a branch acquisition by a community bank. Among other things, the Branch Purchase is an acquisition of less than \$10 billion of assets and results in a combined institution with less than \$100 billion of assets. The Bank does not engage in complex, unusual, or unique activities for which there are few substitutes. The Bank does not engage in any material cross-border transactions or underwriting or dealing in securities or derivatives. The Branch Purchase does not increase the complexity or inter-connectedness of the U.S. financial system. The Bank will remain a domestic bank that, in the event of failure, could be readily resolved by the FDIC in its traditional capacity as receiver.

The Branch Purchase will result in a modest decrease in the size of Wells, which is one of the largest banks in the United States.

2. Discuss whether the proposed transaction will result in a reduction in the availability of substitute providers for the services offered by the combining firms.

None of the Branches' offerings can be regarded as highly specialized or "critical" financial products available from only a small number of providers. There are numerous providers of each of its products and services nationally, regionally, and in the local banking markets in which the Branches operate. Upon closing of the Branch Purchase, the Branches will continue to operate as branches of the Bank. There will be no reduction in services in any event, as to which substitute providers would be relevant.

3. Discuss whether the combined entity will engage in any business activities or participate in markets in a manner that, in the event of financial distress of the combined entity, would cause significant risks to other institutions.

The Bank will not, by reason of the Branch Purchase, engage in business activities or participate in markets that, in the event of financial distress, would cause significant risks to other institutions.

4. Discuss whether the proposed transaction will materially increase the extent to which the combining firms contribute to the complexity of the financial system.

Neither the Bank nor the Branches have complex assets and liabilities. The Branch Purchase involves customary community banking assets and liabilities and would not, if consummated, contribute to the complexity of the financial system.

5. Discuss whether the proposed transaction will materially increase the extent of cross border activities of the combining firms.

Not applicable. The Branches do not currently engage in cross-border activities and would not do so upon consummation of the Branch Purchase.

6. Discuss whether the proposed transaction will increase the relative degree of difficulty of resolving or winding up the combined firm's business in the event of failure or insolvency.

Neither the Bank nor the Branches have complex assets and liabilities that would hinder the Bank's timely and efficient resolution in the event the Bank were to experience financial distress. Neither the Bank nor the Branches are a core clearing and settlement organization or large payment system operator, and neither otherwise has a significant presence in any critical financial services market, which might complicate the resolution process by increasing the complexity, costs or time frames involved in any such resolution. In view of the relative size and the lack of complexity and interconnectedness of the Bank (taking into account the acquisition of the Branches), resolving the Bank in the event of financial distress would not involve a level of cost, time, or difficulty such that it would lead to a significant increase in risk to the stability of the U.S. financial system.

7. In addition, discuss whether there are any other factors that could indicate that the transaction poses a risk to the U.S. banking or financial system.

The Bank is not aware of any such other factors.

CERTIFICATION

We hereby certify that our board of directors, by resolution, has authorized the filing of this application, and that to the best of our knowledge, it contains no misrepresentations or omissions of material facts. In addition, we agree to notify the agency if the facts described in the filing materially change prior to receiving a decision or prior to consummation. Any misrepresentation or omission of a material fact constitutes fraud in the inducement and may subject us to legal sanctions provided by 18 U.S.C. 1001 and 1007.

We acknowledge that approval of this application is in the discretion of the appropriate federal banking agency. Actions or communications, whether oral, written, or electronic, by an agency or its employees in connection with 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 any federal banking agency to exercise its supervisory, regulatory, or examination powers under applicable law and regulations. We 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.

Signed this 12th day of June, 2018.

Flagstar Bank, FSB

(Applicant)

By: Lee M. Smith

(Signature of Authorized Officer)

Lee M. Smith

(Typed Name)

Chief Operating Officer

(Title)

*certain assets and liabilities related to
fifty-two branches of*

Wells Fargo Bank,
National Association *

(Target Institution)

By: _____

(Signature of Authorized Officer)

(Typed Name)

(Title)

* Certification by the Target Institution does not relate to material prepared and submitted by the Applicant.

CERTIFICATION

We hereby certify that our board of directors, by resolution, has authorized the filing of this application, and that to the best of our knowledge, it contains no misrepresentations or omissions of material facts. In addition, we agree to notify the agency if the facts described in the filing materially change prior to receiving a decision or prior to consummation. Any misrepresentation or omission of a material fact constitutes fraud in the inducement and may subject us to legal sanctions provided by 18 U.S.C. 1001 and 1007.

We acknowledge that approval of this application is in the discretion of the appropriate federal banking agency. Actions or communications, whether oral, written, or electronic, by an agency or its employees in connection with 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 any federal banking agency to exercise its supervisory, regulatory, or examination powers under applicable law and regulations. We 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.

Signed this 12th day of June, 2018.

Flagstar Bank, FSB
(Applicant)

By: _____
(Signature of Authorized Officer)

(Typed Name)

(Title)

*certain assets and liabilities related to
fifty-two branches of*

Wells Fargo Bank,
National Association *
(Target Institution)

By: 
(Signature of Authorized Officer)

Robert Chlebowski
(Typed Name)

Executive Vice President
(Title)

* Certification by the Target Institution does not relate to material prepared and submitted by the Applicant.

EXHIBIT 3

Form of Public Notice

Form of Public Notice

The following notice will be published three times in newspapers of general circulation in Troy, Michigan, and Sioux Falls, South Dakota, including one week after the date of the first notice, and 25 days after the date of the first notice.

Notice is given that application was made, on or about June 12, 2018, to the Office of the Comptroller of the Currency for consent to purchase certain assets and assume liabilities of 52 branches of Wells Fargo Bank, N.A. (Sioux Falls, South Dakota) by Flagstar Bank, FSB (Troy, Michigan). The locations of the 52 branches are at: 2204 N Wayne Street, Angola, Indiana 46703; 200 S Van Buren, Auburn, Indiana 46706; 812 W 7th Street, Auburn, Indiana 46706; 101 S Main Street, Bluffton, Indiana 46714; 6000 U.S. 41 S, Marquette, Michigan 49855; 900 E Cloverland Dr, Ironwood, Michigan 49938; 1 Yorkshire Drive, Decatur, Indiana 46733; 516 N. Lincoln Road, Escanaba, Michigan 49829; 5525 Saint Joe Road, Fort Wayne, Indiana 46835; 10325 Chestnut Plaza Dr., Fort Wayne, Indiana 46814; 3902 S Clinton Street, Fort Wayne, Indiana 46806; 6324 Covington Plaza, Fort Wayne, Indiana 46804; 6302 E. State Blvd., Fort Wayne, Indiana 46815; 800 Northcrest Shopping Center, Fort Wayne, Indiana 46805; 1000 E DuPont Rd, Fort Wayne, Indiana 46825; 901 W State Blvd, Fort Wayne, Indiana 46808; 5770 Coventry Lane, Fort Wayne, Indiana 46804; 5903 Bluffton Road, Fort Wayne, Indiana 46809; 100 E 1st St, Gillett, Wisconsin 54124; 115 N Pine St, Gwinn, Michigan 49841; 14816 1st Street, Hoagland, Indiana, 46745; 1303 College Ave, Houghton, Michigan 49931; 2720 Guilford Street, Huntington, Indiana 46750; 111 E Wayne Street, Fort Wayne, Indiana 46802; 1805 S Stephenson Ave, Iron Mountain, Michigan 49801; 234 W Genesee St, Iron River, Michigan 49935; 700 U.S. 41 W, Ishpeming, Michigan 49849; 1112 N Detroit Street, Lagrange, Indiana 46761; 601 Jackson Street, La Porte, Indiana 46350; 1329 8th Ave, Menominee, Michigan 49858; 1507 Cleveland Ave, Marinette, Wisconsin 54143; 101 W Washington St, Marquette, Michigan 49855; 1300 N 3rd St, Marquette, Michigan 49855; 119 N Main Street, Monticello, Indiana 47960; 1000 N Main St, Monticello, Indiana 47960; 13937 Silver Hill Rd, Mountain, Wisconsin 54149; 1536 U.S. 30 E, New Haven, Indiana 46774; 1401 Presque Isle Ave, Marquette, Michigan 49855; 225 E Central Ave, Oconto Falls, Wisconsin 54154; 12 N Broadway, Peru, Indiana 46970; 202 E 9th Street, Rochester, Indiana 46975; 1541 N Main Street, Rushville, Indiana 46173; 245 N Morton Street, Shipshewana, Indiana 46565; 4400 Miami Road, South Bend, Indiana 46614; 100 E Wayne St, Ste 100, South Bend, Indiana 46601; 2926 Mishawaka Ave, South Bend, Indiana 46615; 382 West Cleveland Road, Granger, Indiana 46530; 2317 W Western Ave, South Bend, Indiana 46619; S938 U.S. 41, Stephenson, Michigan 49887; 115 Hospital Dr, Van Wert, Ohio 45891; 841 N Cass Street, Wabash, Indiana 46992; 3220 US Hwy 41 W, Marquette, Michigan 49855.

It is contemplated that the main office and branch offices of Flagstar Bank, FSB and the above-mentioned branches of Wells Fargo Bank, N.A. will continue to operate after the proposed transaction.

This notice is published pursuant to 12 USC 1828(c) and 12 CFR 5. Anyone may submit written comments on this application by July [***], 2018, to the Director of District Licensing, One Financial Place, Suite 2700, 440 South LaSalle Street, Chicago, Illinois 60605, or CE.Licensing@occ.treas.gov. The public may find information about the filing (including closing date of comment period) in the OCC's Weekly Bulletin available at www.occ.gov.

The public file is available for inspection in the district office during regular business hours. Written requests for a copy of the public file of the application should be sent to the Director of District Licensing at the address above.

Flagstar Bank, FSB Troy, Michigan

Wells Fargo Bank, N.A. Sioux Falls, South Dakota

EXHIBIT 4

Locations of the Branches

BRANCHES TO BE ACQUIRED		
1	Angola	2204 N Wayne Street, Angola, Indiana 46703
2	Auburn	200 S Van Buren, Auburn, Indiana 46706
3	Auburn West 7 th	812 W 7th Street, Auburn, Indiana 46706
4	Bluffton	101 S Main Street, Bluffton, Indiana 46714
5	Chocolay	6000 U.S. 41 S, Marquette, Michigan 49855
6	Cloverland	900 E Cloverland Dr, Ironwood, Michigan 49938
7	Decatur	1 Yorkshire Drive, Decatur, Indiana 46733
8	Escanaba	516 N. Lincoln Road, Escanaba, Michigan 49829
9	Fort Wayne Canterbury	5525 Saint Joe Road, Fort Wayne, Indiana 46835
10	Fort Wayne Chestnut Plaza	10325 Chestnut Plaza Dr., Fort Wayne, Indiana 46814
11	Fort Wayne Clinton & Rudisill	3902 S Clinton Street, Fort Wayne, Indiana 46806
12	Fort Wayne Covington Plaza	6324 Covington Plaza, Fort Wayne, Indiana 46804
13	Fort Wayne Georgetown	6302 E. State Blvd., Fort Wayne, Indiana 46815
14	Fort Wayne Northcrest	800 Northcrest Shopping Center, Fort Wayne, Indiana 46805
15	Fort Wayne Pine Valley	1000 E DuPont Rd, Fort Wayne, Indiana 46825
16	Fort Wayne State & Sherman	901 W State Blvd, Fort Wayne, Indiana 46808
17	Fort Wayne Village At Coventry	5770 Coventry Lane, Fort Wayne, Indiana 46804
18	Fort Wayne Waynedale	5903 Bluffton Rd, Fort Wayne, Indiana 46809
19	Gillett	100 E 1st St, Gillett, Wisconsin 54124
20	Gwinn	115 N Pine St, Gwinn, Michigan 49841
21	Hoagland	14816 1st Street, Hoagland, Indiana 46745
22	Houghton University	1303 College Ave, Houghton, Michigan 49931
23	Huntington North	2720 Guilford Street, Huntington, Indiana 46750
24	Indiana Center	111 E Wayne Street, Fort Wayne, Indiana 46802
25	Iron Mountain	1805 S Stephenson Ave, Iron Mountain, Michigan 49801
26	Iron River Main	234 W Genesee St, Iron River, Michigan 49935
27	Ishpeming North	700 U.S. 41 W, Ishpeming, Michigan 49849
28	Lagrange	1112 N Detroit Street, Lagrange, Indiana 46761
29	La Porte	601 Jackson Street, La Porte, Indiana 46350
30	M & M Plaza	1329 8th Ave, Menominee, Michigan 49858
31	Marinette	1507 Cleveland Ave, Marinette, Wisconsin 54143
32	Marquette Downtown	101 W Washington St, Marquette, Michigan 49855
33	Marquette Third Street	1300 N 3rd St, Marquette, Michigan 49855
34	Monticello	119 N Main Street, Monticello, Indiana 47960
35	Monticello North	1000 N Main St, Monticello, Indiana 47960
36	Mountain	13937 Silver Hill Rd, Mountain, Wisconsin 54149
37	New Haven	1536 U.S. 30 E, New Haven, Indiana 46774
38	NMU Campus	1401 Presque Isle Ave, Marquette, Michigan 49855
39	Oconto Falls	225 E Central Ave, Oconto Falls, Wisconsin 54154

BRANCHES TO BE ACQUIRED		
40	Peru	12 N Broadway, Peru, Indiana 46970
41	Rochester	202 E 9th Street, Rochester, Indiana 46975
42	Rushville	1541 N Main Street, Rushville, Indiana 46173
43	Shipshewana	245 N Morton Street, Shipshewana, Indiana 46565
44	South Bend Broadmoor	4400 Miami St., South Bend, Indiana 46614
45	South Bend Downtown	100 E Wayne St, Ste 100, South Bend, Indiana 46601
46	South Bend River Park	2926 Mishawaka Ave, South Bend, Indiana 46615
47	University Park	382 West Cleveland Road, Granger, Indiana 46530
48	South Bend Western Avenue	2317 W Western Ave, South Bend, Indiana 46619
49	Stephenson	S938 U.S. 41, Stephenson, Michigan 49887
50	Van Wert	115 Hospital Dr, Van Wert, Ohio 45891
51	Wabash	841 N Cass Street, Wabash, Indiana 46992
52	West Marquette	3220 US Hwy 41 W, Marquette, Michigan 49855

EXHIBIT 5

Competitive Analysis

CASSIDI™

Competitive Analysis and Structure Source Instrument for Depository Institutions
 Federal Reserve Bank of St. Louis

Elkhart/Niles/South Bend, IN Banking Market HHI Deposit Analysis*

(For Commercial Bank and Thrift Organizations)

Run Date: May 23, 2018

Market Number: 18055

RSSDID	Type	Branches	Name	City	State	Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
						Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
Target Organization																	
1120754	BHC	8	WELLS FARGO & COMPANY	SAN FRANCISCO	CA	401.786	9	3.59	401.786	9	3.62	0.020	30	0.00	0.020	30	0.00
451965	Bank	8	WELLS FARGO BANK, NATIONAL ASSOCIATION	SIOUX FALLS	SD	401.786			401.786								
4961	Branch		LAGRANGE BRANCH	LAGRANGE	IN	20.989											
4960	Branch		SHIPSHEWANA BRANCH	SHIPSHEWANA	IN	24.644											
4935	Branch		SOUTH BEND DOWNTOWN BRANCH	SOUTH BEND	IN	194.650											
4934	Branch		UNIVERSITY PARK BRANCH	GRANGER	IN	73.077											
4933	Branch		WESTERN AVENUE BRANCH	SOUTH BEND	IN	40.790											
4932	Branch		RIVER PARK BRANCH	SOUTH BEND	IN	18.494											
4931	Branch		BROADMOOR BRANCH	SOUTH BEND	IN	29.122											
Buyer Organization																	
4224000	SLHC	1	MP (THRIFT) LLC	WILMINGTON	DE	22.178	24	0.20	11.089	28	0.10						
146672	Thrift	1	FLAGSTAR BANK, FSB	TROY	MI	22.178			11.089								
Resulting Organization																	
4224000	SLHC	8	MP (THRIFT) LLC	WILMINGTON	DE							423.944	9	3.79	211.972	11	1.95
146672	Thrift	8	FLAGSTAR BANK, FSB	TROY	MI							423.944			211.972		
4961	Branch		LAGRANGE BRANCH	LAGRANGE	IN							20.989					
4960	Branch		SHIPSHEWANA BRANCH	SHIPSHEWANA	IN							24.644					
4935	Branch		SOUTH BEND DOWNTOWN BRANCH	SOUTH BEND	IN							194.650					
4934	Branch		UNIVERSITY PARK BRANCH	GRANGER	IN							73.077					
4933	Branch		WESTERN AVENUE BRANCH	SOUTH BEND	IN							40.790					
4932	Branch		RIVER PARK BRANCH	SOUTH BEND	IN							18.494					
4931	Branch		BROADMOOR BRANCH	SOUTH BEND	IN							29.122					

	Pre Merger	Post Merger
Total Organizations	30	30
Total Banking Organizations:	27	27
Total Thrift Organizations:	3	3

Herfindahl-Hirschman Index	Pre Merger	Post Merger	Change in HHI
HHI Unweighted Deposits	1300	1302	2
HHI Weighted Deposits	1319	1359	40

Other Organizations

RSSDID	Type	Branches	Name	City	State	Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
						Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
1199602	BHC	43	1ST SOURCE CORPORATION	SOUTH BEND	IN	2,939.656	1	26.30	2,939.656	1	26.50	2,939.656	1	26.30	2,939.656	1	26.99
991340	Bank	43	1ST SOURCE BANK	SOUTH BEND	IN	2,939.656			2,939.656			2,939.656			2,939.656		
1208906	BHC	32	LAKELAND FINANCIAL CORPORATION	WARSAW	IN	1,999.523	2	17.89	1,999.523	2	18.03	1,999.523	2	17.89	1,999.523	2	18.36
874845	Bank	32	LAKE CITY BANK	WARSAW	IN	1,999.523			1,999.523			1,999.523			1,999.523		
1068025	BHC	18	KEYCORP	CLEVELAND	OH	1,073.313	3	9.60	1,073.313	3	9.68	1,073.313	3	9.60	1,073.313	3	9.85
280110	Bank	18	KEYBANK NATIONAL ASSOCIATION	CLEVELAND	OH	1,073.313			1,073.313			1,073.313			1,073.313		
1039502	BHC	10	JPMORGAN CHASE & CO.	NEW YORK	NY	1,044.271	4	9.34	1,044.271	4	9.41	1,044.271	4	9.34	1,044.271	4	9.59
852218	Bank	10	JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	COLUMBUS	OH	1,044.271			1,044.271			1,044.271			1,044.271		
1070345	BHC	7	FIFTH THIRD BANCORP	CINCINNATI	OH	491.720	5	4.40	491.720	5	4.43	491.720	5	4.40	491.720	5	4.51
723112	Bank	7	FIFTH THIRD BANK	CINCINNATI	OH	491.720			491.720			491.720			491.720		
1069778	BHC	12	PNC FINANCIAL SERVICES GROUP, INC., THE	PITTSBURGH	PA	469.153	6	4.20	469.153	6	4.23	469.153	6	4.20	469.153	6	4.31
817824	Bank	12	PNC BANK, NATIONAL ASSOCIATION	WILMINGTON	DE	469.153			469.153			469.153			469.153		
3175794	BHC	14	MUTUALFIRST FINANCIAL, INC.	MUNCIE	IN	453.857	7	4.06	453.857	7	4.09	453.857	7	4.06	453.857	7	4.17
810777	Bank	14	MUTUALBANK	MUNCIE	IN	453.857			453.857			453.857			453.857		
1210244	BHC	7	CRYSTAL VALLEY FINANCIAL CORPORATION	MIDDLEBURY	IN	436.341	8	3.90	436.341	8	3.93	436.341	8	3.90	436.341	8	4.01
967046	Bank	7	FIRST STATE BANK OF MIDDLEBURY	MIDDLEBURY	IN	436.341			436.341			436.341			436.341		
1245479	BHC	8	FS BANCORP	LAGRANGE	IN	363.109	10	3.25	363.109	10	3.27	363.109	10	3.25	363.109	9	3.33
113441	Bank	8	FARMERS STATE BANK	LAGRANGE	IN	363.109			363.109			363.109			363.109		
1098303	BHC	6	OLD NATIONAL BANCORP	EVANSVILLE	IN	253.215	11	2.27	253.215	11	2.28	253.215	11	2.27	253.215	10	2.32
208244	Bank	6	OLD NATIONAL BANK	EVANSVILLE	IN	253.215			253.215			253.215			253.215		

						Pre Merger						Post Merger						
						Unweighted			Weighted ***			Unweighted			Weighted ***			
1201934	BHC	6	CHEMICAL FINANCIAL CORPORATION	MIDLAND	MI	210.827	12	1.89	210.827	12	1.90	210.827	12	1.89	210.827	12	1.94	
542649	Bank	6	CHEMICAL BANK	MIDLAND	MI	210.827			210.827			210.827			210.827			
1209136	BHC	11	HORIZON BANCORP	MICHIGAN CITY	IN	175.925	13	1.57	175.925	13	1.59	175.925	13	1.57	175.925	13	1.62	
130541	Bank	11	HORIZON BANK	MICHIGAN CITY	IN	175.925			175.925			175.925			175.925			
3051571	BHC	4	STURGIS BANCORP, INC.	STURGIS	MI	143.166	15	1.28	143.166	14	1.29	143.166	15	1.28	143.166	14	1.31	
366078	Thrift	4	STURGIS BANK & TRUST COMPANY	STURGIS	MI	143.166			143.166			143.166			143.166			
1068191	BHC	4	HUNTINGTON BANCSHARES INCORPORATED	COLUMBUS	OH	115.559	16	1.03	115.559	15	1.04	115.559	16	1.03	115.559	15	1.06	
12311	Bank	4	HUNTINGTON NATIONAL BANK, THE	COLUMBUS	OH	115.559			115.559			115.559			115.559			
2389996	SLHC	4	AMERICAN MIDWEST FINANCIAL CORPORATION	ROCHESTER	IN	150.811	14	1.35	75.406	16	0.68	150.811	14	1.35	75.406	16	0.69	
257578	Thrift	4	FIRST FEDERAL SAVINGS BANK	ROCHESTER	IN	150.811			75.406			150.811			75.406			
1204560	BHC	4	FIRST BANCSHARES, INC.	MERRILLVILLE	IN	73.828	17	0.66	73.828	17	0.67	73.828	17	0.66	73.828	17	0.68	
783648	Bank	4	CENTIER BANK	MERRILLVILLE	IN	73.828			73.828			73.828			73.828			
1208559	BHC	2	FIRST MERCHANTS CORPORATION	MUNCIE	IN	65.252	18	0.58	65.252	18	0.59	65.252	18	0.58	65.252	18	0.60	
17147	Bank	2	FIRST MERCHANTS BANK	MUNCIE	IN	65.252			65.252			65.252			65.252			
2004039	BHC	4	JONES BANCORP, INC.	MARCELLUS	MI	53.720	19	0.48	53.720	19	0.48	53.720	19	0.48	53.720	19	0.49	
540542	Bank	4	G. W. JONES EXCHANGE BANK	MARCELLUS	MI	53.720			53.720			53.720			53.720			
1491856	BHC	2	CENTURY FINANCIAL CORPORATION	COLDWATER	MI	50.849	20	0.45	50.849	20	0.46	50.849	20	0.45	50.849	20	0.47	
694847	Bank	2	CENTURY BANK AND TRUST	COLDWATER	MI	50.849			50.849			50.849			50.849			
44040	Bank	1	FIRST NATIONAL BANK OF MONTEREY, THE	MONTEREY	IN	50.693	21	0.45	50.693	21	0.46	50.693	21	0.45	50.693	21	0.47	
3848258	BHC	1	FFW CORPORATION	WABASH	IN	37.306	22	0.33	37.306	22	0.34	37.306	22	0.33	37.306	22	0.34	
228279	Bank	1	CROSSROADS BANK	WABASH	IN	37.306			37.306			37.306			37.306			
1207824	BHC	1	SOUTHERN MICHIGAN BANCORP, INC.	COLDWATER	MI	24.003	23	0.21	24.003	23	0.22	24.003	23	0.21	24.003	23	0.22	
822042	Bank	1	SOUTHERN MICHIGAN BANK & TRUST	COLDWATER	MI	24.003			24.003			24.003			24.003			
1249039	BHC	1	FIRST FARMERS FINANCIAL CORPORATION	CONVERSE	IN	21.734	25	0.19	21.734	24	0.20	21.734	24	0.19	21.734	24	0.20	
139843	Bank	1	FIRST FARMERS BANK AND TRUST COMPANY	CONVERSE	IN	21.734			21.734			21.734			21.734			
1203901	BHC	2	C&F BANC SHARES CORP.	KENDALLVILLE	IN	21.602	26	0.19	21.602	25	0.19	21.602	25	0.19	21.602	25	0.20	
398248	Bank	2	CAMPBELL & FETTER BANK, THE	KENDALLVILLE	IN	21.602			21.602			21.602			21.602			
4553951	BHC	1	EDGEWATER BANCORP, INC.	SAINT JOSEPH	MI	16.294	27	0.15	16.294	26	0.15	16.294	26	0.15	16.294	26	0.15	
633677	Bank	1	EDGEWATER BANK	SAINT JOSEPH	MI	16.294			16.294			16.294			16.294			
2514136	BHC	1	NORTHEAST INDIANA BANCORP, INC	HUNTINGTON	IN	11.931	28	0.11	11.931	27	0.11	11.931	27	0.11	11.931	27	0.11	
107570	Bank	1	FIRST FEDERAL SAVINGS BANK	HUNTINGTON	IN	11.931			11.931			11.931			11.931			
4199229	BHC	5	WOODFOREST FINANCIAL GROUP EMPLOYEE STOCK OWNERSHIP PLAN (WITH 401(K) PROVISIONS) (AMENDED AND RESTATED EFF. 03/01/06)	THE WOODLANDS	TX	6.649	29	0.06	6.649	29	0.06	6.649	28	0.06	6.649	28	0.06	
412751	Bank	5	WOODFOREST NATIONAL BANK	THE WOODLANDS	TX	6.649			6.649			6.649			6.649			
3029253	Thrift	1	EVERENCE TRUST COMPANY	GOSHEN	IN	0.500	30	0.00	0.250	30	0.00	0.500	29	0.00	0.250	29	0.00	
Totals:						220			11,178.771	100.00		11,092.026	100.00		11,178.771	100.00	10,891.144	100.00

Notes:

* The geographic market is defined as: Elkhart, St. Joseph, Kosciusko, LaGrange and Marshall Counties, Indiana; Davis, Oregon, Washington, and North Bend (including the entire city of Bass Lake) townships in Starke County, Indiana; Cass County, Michigan; Buchanan, Niles and Bertrand townships in Berrien County, Michigan; the Southern half of St. Joseph County, Michigan (Constantine, Florence, Sherman, Burr Oak, Mottville, White Pigeon, Sturgis, and Fawn River Townships).

** Deposit data (in millions of dollars) is as of June 30, 2017, and reflect currently known ownership structure.

*** Deposits of thrift institutions are weighted at 50 percent, unless otherwise noted. Deposits of thrift subsidiaries of commercial banking organizations, however, are weighted at 100 percent.

EXHIBIT 6

Post-Acquisition CRA Assessment Areas

Post-Acquisition CRA Assessment Areas

The table below provides the Bank's projected post-acquisition assessment areas and corresponding Metropolitan/Micropolitan Statistical Areas ("MSAs) or Metropolitan Districts ("MDs"), based on the Office of Management and Budget 2003 configurations. A listing of the counties included in each area is provided. No partial counties are used.

Assessment Area	Corresponding MSA or MD	County/Counties	State
1	Ann Arbor MSA	Washtenaw	Michigan
2	Battle Creek MSA	Calhoun	Michigan
3	Detroit-Livonia-Dearborn MD	Wayne	Michigan
4	Flint MSA	Genesee	Michigan
5	Grand Rapids-Wyoming MSA	Kent and Ottawa	Michigan
6	Jackson MSA	Jackson	Michigan
7	Kalamazoo-Portage MSA	Kalamazoo	Michigan
8	Lansing-East Lansing MSA	Eaton and Ingham	Michigan
9	Monroe MSA	Monroe	Michigan
10	Niles-Benton Harbor MSA	Berrien	Michigan
11	Warren-Troy-Farmington Hills MD	Livingston, Macomb and Oakland	Michigan
12	Not Identified as MSAs or MDs	Branch, Hillsdale, St. Joseph, Houghton, Marquette, Delta, Menominee, Gogebic, Iron, and Dickinson	Michigan
13	Riverside-San Bernardino-Ontario MSA	San Bernardino	California
14	Fort Wayne MSA	Allen and Wells	Indiana
15	Michigan City-La Porte MSA	La Porte	Indiana
16	South Bend-Mishawaka MSA	St Joseph	Indiana
17	Not Identified as MSAs or MDs	Steuben, Rush, White, Adams, De Kalb, Miami, Fulton, Huntington, Wabash and Lagrange	Indiana
18	Green Bay MSA	Oconto	Wisconsin
19	Not Identified as an MSA or MD	Marinette	Wisconsin
20	Not Identified as an MSA or MD	Van Wert	Ohio

Volume B omitted pursuant to request for confidential treatment
under 5 U.S.C. 552(b)(4) and (6)