**STATE OF MAINE**

**Department of Professional and Financial Regulation**

**Bureau of Financial Institutions**

**Credit Union Merger Application**

**Title 9-B M.R.S. § 872**

**Continuing Credit Union- Applicant**

Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Charter Number\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Mailing Address \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

City\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ State\_\_\_\_\_\_\_\_\_\_\_\_ Zip Code \_\_\_\_\_\_\_\_\_

Physical Address\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

City\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ State\_\_\_\_\_\_\_\_\_\_\_\_ Zip Code \_\_\_\_\_\_\_\_\_

Field of Membership\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Primary Contact Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Title\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Telephone \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Email \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Merging Credit Union**

Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Charter Number\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Mailing Address \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

City\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ State\_\_\_\_\_\_\_\_\_\_\_\_ Zip Code \_\_\_\_\_\_\_\_\_

Physical Address\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

City\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ State\_\_\_\_\_\_\_\_\_\_\_\_ Zip Code \_\_\_\_\_\_\_\_\_

Field of Membership\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Primary Contact Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Title\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Telephone \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Email \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Continuing Credit Union (if different from Applicant)**

Proposed Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Charter Number\_\_\_\_\_\_\_\_\_\_

**Please note: An Applicant seeking to change to its existing field of membership must also complete the Notice of Credit Union Bylaw Amendment (Form BFI 2).**

1. Describe the transaction’s purpose, structure, significant terms, conditions, and termination dates of related contracts or agreements.
2. Provide copies any other filings related to this transaction with other state and federal regulators, including, but not limited to NCUA materials pertaining to 12 CFR § 708b.104 and Maine Secretary of State Articles of Merger form.
3. Provide a copy of the executed merger plan, including any amendments, along with board of director’ resolutions related to the transaction. The credit unions should reach an understanding as to all material aspects of the merger. The merger plan should have sufficient detail to cover items that include, but are not limited to, continuing employment, benefits and leave carryover, plans for branch locations and closures, share adjustment (if any), continuing bylaws, board composition, assets and liabilities undertaken by continuing credit union. NOTE: THIS IS MORE COMPREHENSIVE THAN THE NCUA MERGER AGREEMENT (FORM 6304). FORM 6304 IS NOT INTENDED TO BE SUBMITTED UNTIL MERGER IS COMPLETED.
4. Discuss whether and how the continuing credit union’s business strategy and operations will remain the same or change from the applicant.
5. Provide discussion of the continuing credit union’s due diligence review of merging credit union.
6. Describe any nonconforming or impermissible assets or activities that the applicant or continuing credit union may not be permitted to retain under Maine law or regulation.
7. Provide the following financial information keeping in mind that accounting for credit union mergers can be complex and that the merger transaction and subsequent financials must conform with Generally Accepted Accounting Principles (GAAP). Please note that the Financial Accounting Standards Board (FASB) eliminated the pooling method when combining financials post-merger in favor of the acquisition method under ASC 805. The continuing credit union is encouraged to seek assistance from an independent accountant to help implement the fair value adjustments for the assets acquired and liabilities assumed in the merger. Accounting adjustments may be performed post-merger, however, please provide the following information with your application and use estimates for fair value adjustments if you have not yet obtained actual adjustment figures:
   1. Balance sheets, as of the end of the most recent quarter, separately for both the applicant and the merging credit union, as well as the resulting combined balance sheet. Include footnotes for any adjusting entries.
   2. Review any fair value adjustments necessary to the transaction and describe calculations (if conducted pre-merger).
   3. Pro forma balance sheet and income statements for the first three years post-merger as of each year-end. Include assumptions used to prepare projected statements.
   4. Pro forma capital calculations for the first three years post-merger as of each year end.
8. List the directors and senior executive officers of the continuing credit union and provide the name, address, position, and number of shares held. For directors, include their principal occupations. Indicate any changes to the applicant’s current directors and senior executive officers. Biographical or financial information may be requested with respect to new directors or officers.
9. Describe any litigation or investigation involving the applicant or any of its subsidiaries or the merging credit union or any of its subsidiaries that is currently pending or was resolved within the last two years.
10. Describe how the proposed merger will assist in meeting the convenience and needs of the market area to be served pursuant to 9-B M.R.S. § 253.
11. List all existing offices of the applicant and merging credit union, including each main office, and note if any branches that will be closed as a result of the merger. Also, indicate any plans to add branches as a result of the merger.
12. List of Credit Union Service Organizations for both the applicant and merging credit union, including the investment amount.
13. Provide copies of the member notices of the meeting to vote on the merger, and proof of member votes in conformity with Title 9-B M.R.S. § 872 and the bylaws of the participating credit unions. Note whether the merger was approved by the affirmative vote of a majority of the members voting at meetings, or by proxy at meetings of each credit union called for that purpose or by written consent of the majority of the members of each credit union. Note whether members voted by means of remote communication, or by mail ballot received by the credit union no later than the date and time announced for the meeting.
14. Evidence of evaluation of applicability of the Hart-Scott-Rodino Act and whether the applicant intends to make a premerger notification filing with the Federal Trade Commission. This is required as part of 12 CFR § 708b.104.