

BankDirector
Strong Board. Strong Bank.

2017 Bank M&A Survey

NOV 2016 | RESEARCH

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Executive Summary

Driven by shareholder pressures in a low-growth and highly regulated environment, some community banks could be seeking an exit in the near future. But which banks are positioned to get the best price in today's market? Fifty-eight percent of executives and board members whose bank has made a past acquisition report that being located in an attractive market is the most important factor in their decision to acquire another institution, according to Bank Director's 2017 Bank M&A Survey, which is sponsored by Crowe Horwath LLP.

Forty-one percent say the opportunity to pick up lending teams or talented lenders as part of an acquisition is highly important, due to a **competitive environment for commercial lenders**. Bank Director surveyed online 206 chief executive officers, chief financial officers, chairmen and directors of U.S. banks in August and September.

Other key findings:

- An increasing number of respondents feel that the current environment for bank M&A is stagnant or less active: Forty-five percent indicate that the environment is more favorable for deals, down 17 points from **last year's survey**.
- Forty-six percent indicate that their institution is likely or very likely to purchase another bank by the end of 2017.
- Twenty-five percent report that they're open to selling the bank, considering a sale or actively seeking an acquirer. Of these potential sellers, 54 percent cite regulatory costs as the reason they would sell the bank, followed by shareholder demand for liquidity (48 percent) and limited growth opportunities (39 percent).
- Price, at 38 percent, followed by cultural compatibility, at 26 percent, remain the two greatest challenges faced by boards as they consider potential acquisitions. Price is identified as the top reason that potential buyers and sellers have walked away from a deal in the past three years.
- Forty-five percent report that they are seeing a deterioration in loan underwriting standards within the industry, leading to possible credit quality issues in the future.
- Concerns about the quality of loan underwriting standards at the target institution caused 28 percent to walk away from a potential acquisition.
- Eighty-eight percent believe that interest rates will rise by the end of 2017. Most respondents, at 46 percent, expect a modest increase of less than half a percent.

Just one-quarter of respondents indicate that they're likely or very likely to purchase a branch or multiple branches by the end of 2017. Given the rise of mobile and online banking, foot traffic in branches is declining. Banks are evaluating the value of branches to their overall strategy, causing many—particularly the largest institutions—to attempt to rationalize their branch networks by selling or shuttering those branches deemed less desirable. When asked about how attractive the purchase of a branch is compared to five years ago, attitudes are mixed: One-third believe that buying a branch is more attractive, while another third believe that the value has remained the same. Twenty-eight percent believe that branch acquisitions are less valuable than they used to be, a view supported by national trends: S&P Global Market Intelligence **reported in September** that the industry shed more than 7,000 branches over the past five years.

1. When did your bank last acquire or merge with another institution?

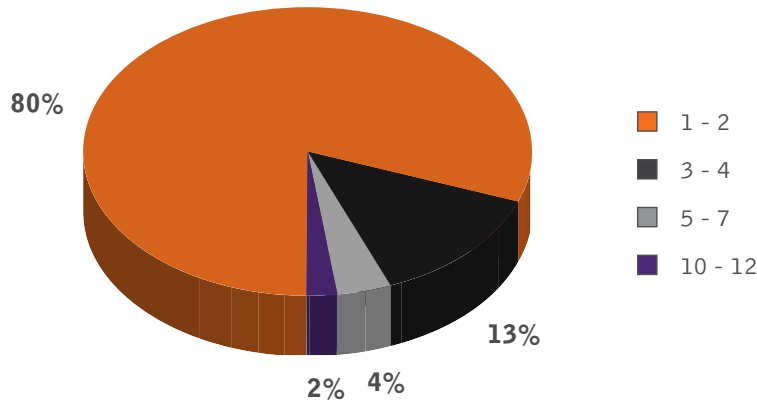
2016	2015	2014	2011-2013	2008-2010	2007 or prior	Our bank has never acquired or merged with another institution
13%	14%	6%	8%	6%	17%	36%

Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
2016	40%	29%	31%	7%	8%	2%	13%
2015	20%	29%	25%	15%	8%	4%	14%
2014	10%	14%	6%	4%	-	12%	6%
2011-2013	-	-	11%	13%	8%	4%	8%
2008-2010	20%	-	8%	7%	6%	4%	6%
2007 or prior	-	21%	19%	26%	8%	18%	17%
Our bank has never acquired or merged with another institution	10%	7%	-	28%	63%	55%	36%

Bank Ownership	Public	Private	Mutual	Total
2016	26%	6%	5%	13%
2015	22%	10%	5%	14%
2014	8%	4%	11%	6%
2011-2013	8%	8%	5%	8%
2008-2010	5%	7%	5%	6%
2007 or prior	11%	17%	42%	17%
Our bank has never acquired or merged with another institution	20%	48%	26%	36%

2. How many whole bank acquisitions have you completed in the past five years (2011-2016)?

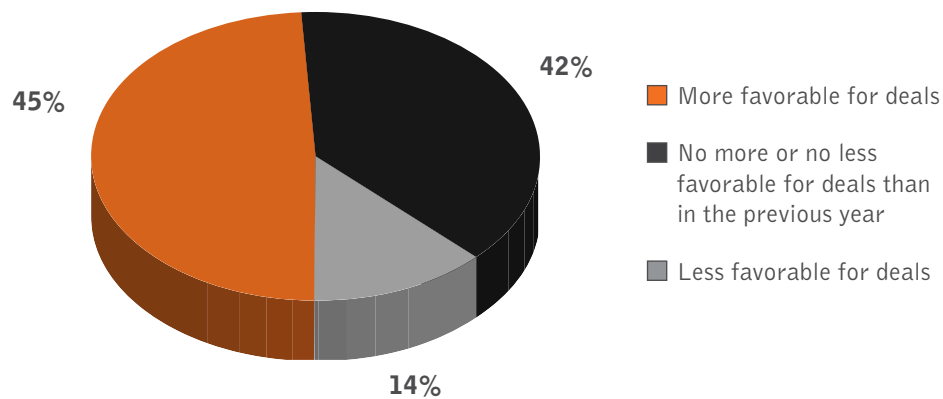
Question was only asked of respondents who indicated that their bank last acquired or merged with another institution in 2011 or beyond. *Indicates a base count of less than 10 within a category.



Bank Asset Size	>\$10B*	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M*	Total
Median number of whole bank acquisitions	3	2	2	1	1	1	1

Bank Asset Size	>\$10B*	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M*	Total
1 - 2	43%	70%	69%	100%	92%	100%	80%
3 - 4	29%	10%	27%	-	8%	-	13%
5 - 7	14%	10%	4%	-	-	-	4%
10 - 12	14%	10%	-	-	-	-	2%

3. How do you feel about the current environment with regard to bank merger and acquisition (M&A) activity?

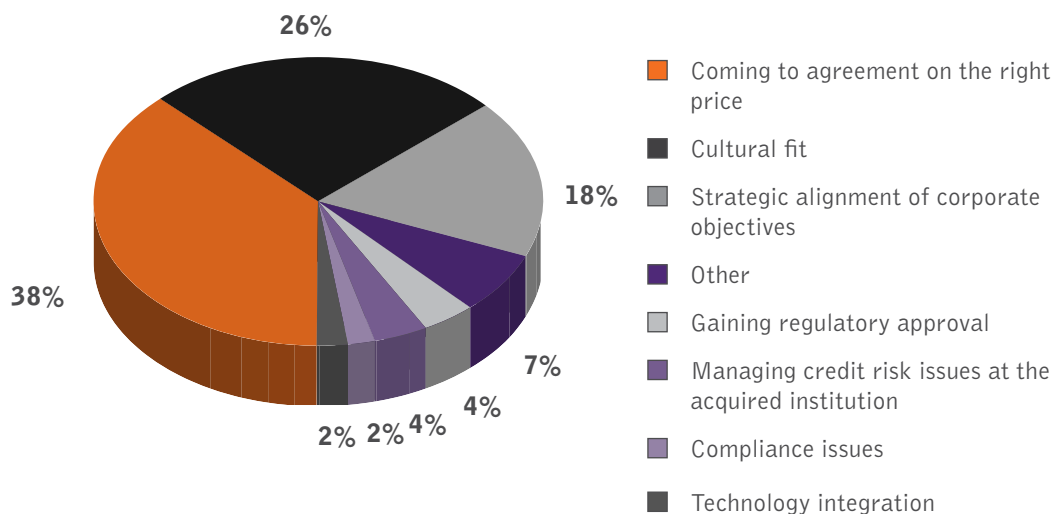


Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
More favorable for deals	50%	23%	44%	55%	47%	40%	45%
No more or no less favorable for deals than in the previous year	40%	54%	33%	39%	41%	48%	42%
Less favorable for deals	10%	23%	22%	7%	12%	12%	14%

Bank Ownership	Public	Private	Mutual	Total
More favorable for deals	43%	47%	39%	45%
No more or no less favorable for deals than in the previous year	39%	42%	50%	42%
Less favorable for deals	18%	11%	11%	14%

Region	Southeast	Mid-Atlantic	Northeast	Midwest	West	Total
More favorable for deals	56%	26%	53%	51%	27%	45%
No more or no less favorable for deals than in the previous year	29%	65%	35%	38%	51%	42%
Less favorable for deals	15%	9%	12%	11%	22%	14%

4. What do you see as the greatest challenge your board faces when considering a potential bank acquisition or merger target?

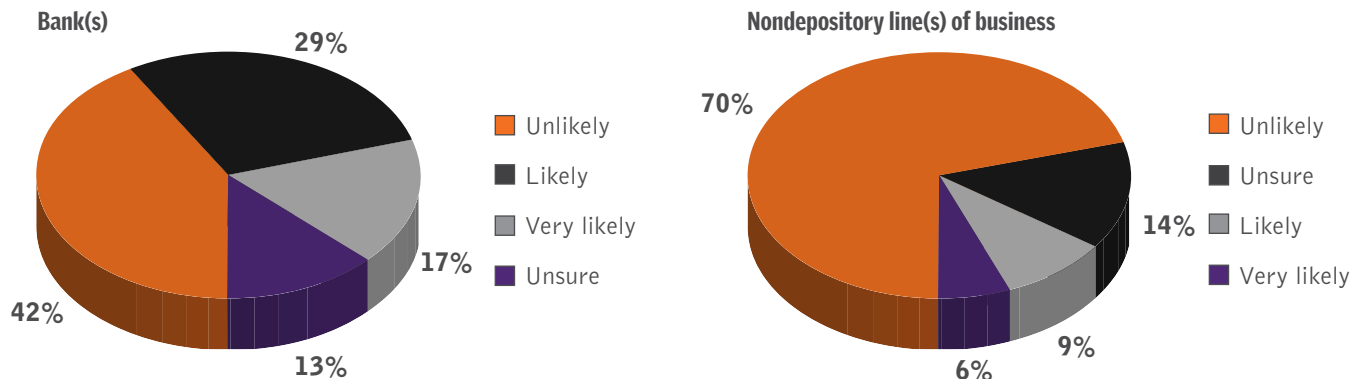


Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Coming to agreement on the right price	50%	31%	42%	26%	33%	53%	38%
Cultural fit	10%	38%	31%	33%	31%	13%	26%
Strategic alignment of corporate objectives	20%	8%	19%	19%	18%	17%	18%
Other	10%	8%	6%	7%	12%	2%	7%
Gaining regulatory approval	-	8%	3%	2%	4%	4%	4%
Managing credit risk issues at the acquired institution	-	-	-	9%	-	6%	4%
Compliance issues	-	-	-	2%	2%	4%	2%
Technology integration	10%	8%	-	2%	-	-	2%

Bank Ownership	Public	Private	Mutual	Total
Coming to agreement on the right price	36%	43%	18%	38%
Cultural fit	22%	27%	41%	26%
Strategic alignment of corporate objectives	24%	14%	18%	18%
Other	6%	6%	18%	7%
Gaining regulatory approval	4%	3%	6%	4%
Managing credit risk issues at the acquired institution	3%	5%	-	4%
Compliance issues	3%	2%	-	2%
Technology integration	3%	1%	-	2%

5. By the end of 2017, how likely is it that your institution will purchase another bank(s), or a nondepository line(s) of business?

**Indicates a base count of less than 10 within a category.*



Bank(s)							
Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Unlikely	-	33%	29%	43%	41%	62%	42%
Likely	30%	17%	51%	36%	27%	10%	29%
Very likely	30%	42%	14%	11%	16%	15%	17%
Unsure	40%	8%	6%	9%	16%	12%	13%

Nondepository line(s) of business							
Bank Asset Size	>\$10B*	\$5B-\$10B*	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Unlikely	20%	67%	62%	68%	71%	85%	70%
Unsure	40%	22%	10%	14%	18%	10%	14%
Likely	-	11%	10%	14%	8%	5%	9%
Very likely	40%	-	17%	5%	3%	-	6%

Bank(s)						
Region	Southeast	Mid-Atlantic	Northeast	Midwest	West	Total
Unlikely	46%	23%	76%	41%	33%	42%
Likely	32%	36%	6%	30%	28%	29%
Very likely	17%	14%	6%	15%	28%	17%
Unsure	5%	27%	12%	13%	11%	13%

Nondepository line(s) of business						
Region	Southeast	Mid-Atlantic	Northeast	Midwest	West	Total
Unlikely	69%	69%	53%	72%	77%	70%
Unsure	17%	25%	13%	13%	10%	14%
Likely	7%	-	20%	9%	10%	9%
Very likely	7%	6%	13%	6%	3%	6%

6. Regarding your bank's most recent acquisition of another financial institution, rate the importance of each of the following in your decision to acquire.

Question was only asked of respondents who indicated that their bank has made an acquisition.

**Indicates a base count of less than 10 within a category.*

Executive talent							
Bank Asset Size	>\$10B*	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Highly important	22%	17%	11%	28%	24%	17%	19%
Important	33%	67%	29%	34%	29%	39%	36%
Not important	44%	17%	54%	31%	41%	44%	41%
Not applicable	-	-	6%	7%	6%	-	4%

Lending team/talented lenders							
Bank Asset Size	>\$10B*	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Highly important	33%	50%	33%	43%	35%	59%	41%
Important	22%	50%	47%	23%	35%	24%	35%
Not important	44%	-	14%	27%	24%	18%	20%
Not applicable	-	-	6%	7%	6%	-	4%

Attractive markets							
Bank Asset Size	>\$10B*	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Highly important	67%	100%	56%	53%	50%	44%	58%
Important	22%	-	33%	43%	50%	33%	34%
Not important	11%	-	6%	-	-	17%	5%
Not applicable	-	-	6%	3%	-	6%	3%

New business lines							
Bank Asset Size	>\$10B*	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Highly important	12%	17%	9%	10%	-	17%	10%
Important	50%	42%	17%	30%	19%	28%	27%
Not important	38%	42%	66%	47%	62%	50%	54%
Not applicable	-	-	9%	13%	19%	6%	9%

Similar business lines							
Bank Asset Size	>\$10B*	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Highly important	25%	33%	3%	27%	12%	22%	17%
Important	62%	67%	69%	53%	82%	61%	65%
Not important	12%	-	22%	13%	6%	17%	14%
Not applicable	-	-	6%	7%	-	-	3%

Geography							
Bank Asset Size	>\$10B*	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Highly important	33%	83%	42%	53%	33%	50%	48%
Important	56%	17%	50%	40%	50%	39%	43%
Not important	11%	-	3%	3%	11%	11%	6%
Not applicable	-	-	6%	3%	6%	-	3%

Technology							
Bank Asset Size	>\$10B*	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Highly important	12%	8%	6%	14%	12%	11%	10%
Important	38%	67%	29%	41%	29%	22%	35%
Not important	38%	25%	63%	31%	53%	56%	47%
Not applicable	12%	-	3%	14%	6%	11%	8%

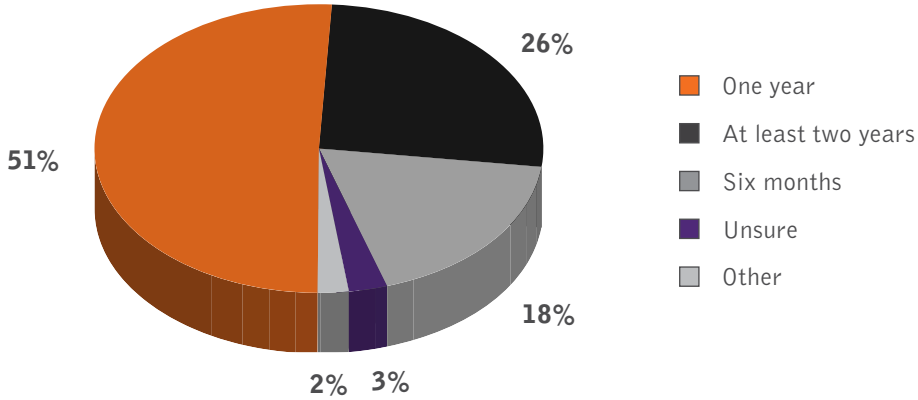
Demonstrated loan growth							
Bank Asset Size	>\$10B*	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Highly important	11%	50%	14%	27%	18%	18%	21%
Important	67%	25%	58%	33%	53%	53%	48%
Not important	22%	25%	22%	30%	24%	29%	26%
Not applicable	-	-	6%	10%	6%	-	5%

Strong deposit base							
Bank Asset Size	>\$10B*	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Highly important	44%	42%	39%	47%	29%	22%	38%
Important	44%	50%	47%	37%	53%	56%	47%
Not important	11%	8%	8%	10%	18%	11%	11%
Not applicable	-	-	6%	7%	-	11%	5%

7. In your opinion, what is the minimum amount of time that a bank should take to digest a sizable acquisition, for example, an institution that is at least half the size of the acquirer pre-deal?

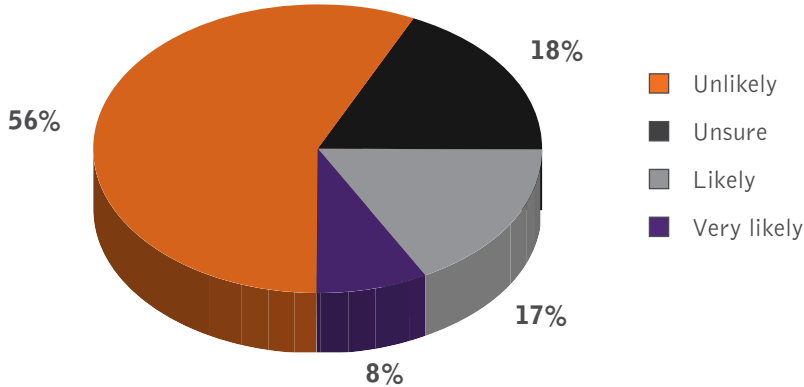
Question was only asked of respondents who indicated that their bank has made an acquisition.

**Indicates a base count of less than 10 within a category.*



Bank Asset Size	>\$10B*	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
One year	67%	50%	56%	40%	56%	47%	51%
At least two years	33%	17%	22%	43%	17%	16%	26%
Six months	-	17%	19%	10%	22%	32%	18%
Unsure	-	8%	3%	3%	-	5%	3%
Other	-	8%	-	3%	6%	-	2%

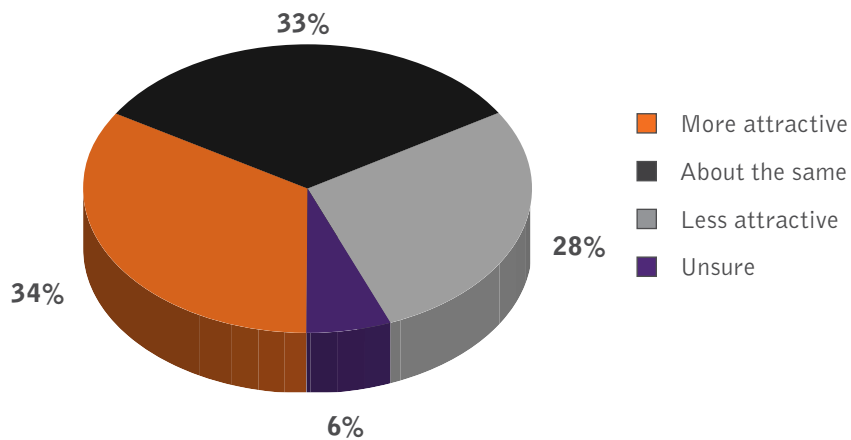
8. By the end of 2017, how likely is it that your institution will purchase a branch or branches?



Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Unlikely	50%	77%	64%	55%	52%	52%	56%
Unsure	30%	8%	14%	19%	19%	20%	18%
Likely	20%	8%	19%	17%	19%	17%	17%
Very likely	-	8%	3%	10%	10%	11%	8%

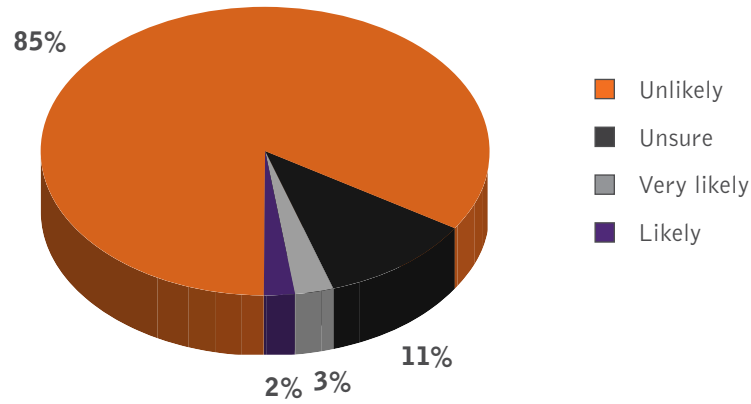
Region	Southeast	Mid-Atlantic	Northeast	Midwest	West	Total
Unlikely	61%	52%	65%	51%	61%	56%
Unsure	15%	22%	6%	22%	17%	18%
Likely	15%	9%	24%	18%	22%	17%
Very likely	10%	17%	6%	9%	-	8%

9. Regarding your bank’s strategy, is the purchase of a branch more attractive or less attractive than it was five years ago?



Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
More attractive	-	15%	28%	31%	44%	43%	34%
About the same	50%	31%	36%	45%	27%	22%	33%
Less attractive	50%	54%	33%	24%	21%	22%	28%
Unsure	-	-	3%	-	8%	13%	6%

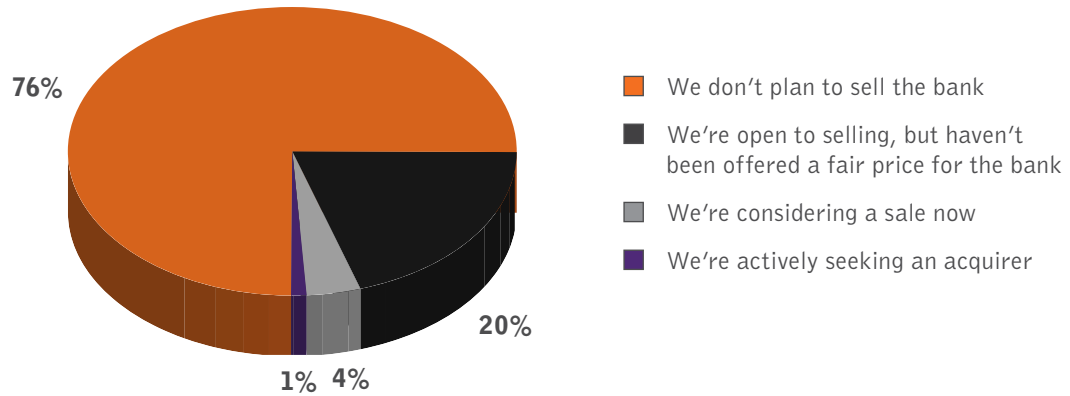
10. By the end of 2017, how likely is it that your institution will purchase a financial technology firm or digital business?



Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Unlikely	80%	69%	81%	86%	87%	89%	85%
Unsure	10%	23%	14%	10%	11%	7%	11%
Very likely	-	8%	-	2%	2%	4%	3%
Likely	10%	-	6%	2%	-	-	2%

Region	Southeast	Mid-Atlantic	Northeast	Midwest	West	Total
Unlikely	88%	61%	88%	91%	81%	85%
Unsure	10%	26%	-	9%	11%	11%
Very likely	2%	4%	6%	-	6%	3%
Likely	-	9%	6%	-	3%	2%

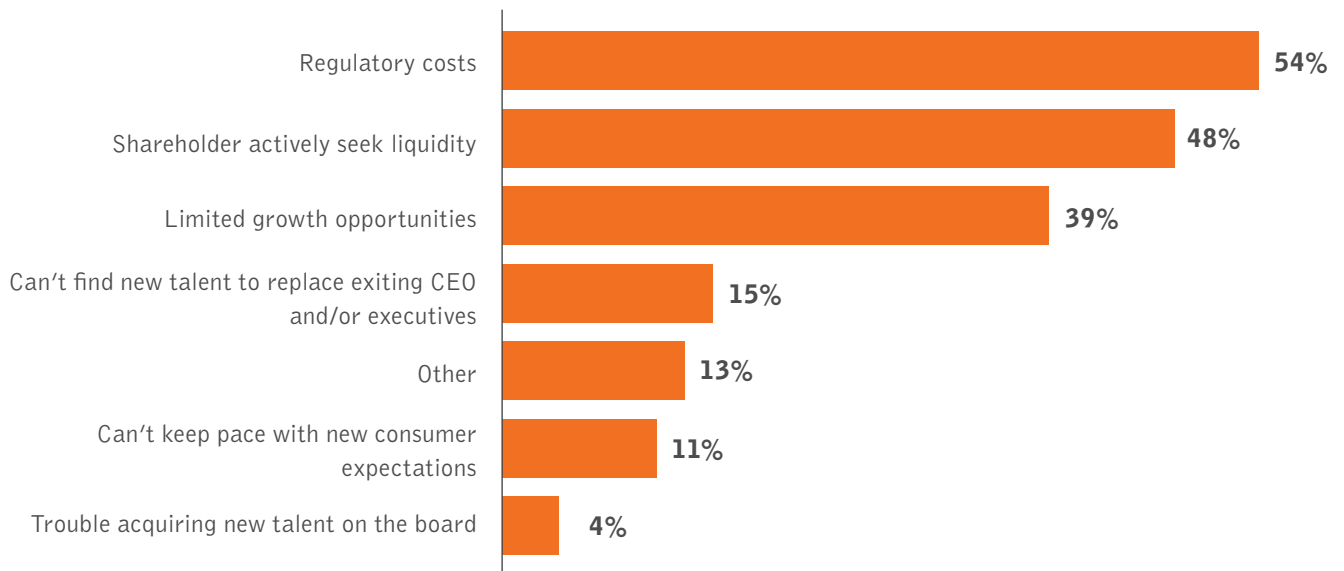
11. How likely is your board to consider the sale of your bank by the end of 2017?



Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
We don't plan to sell the bank	100%	77%	72%	80%	73%	72%	76%
We're open to selling, but haven't been offered a fair price for the bank	-	23%	28%	20%	21%	15%	20%
We're considering a sale now	-	-	-	-	4%	11%	4%
We're actively seeking an acquirer	-	-	-	-	2%	2%	1%

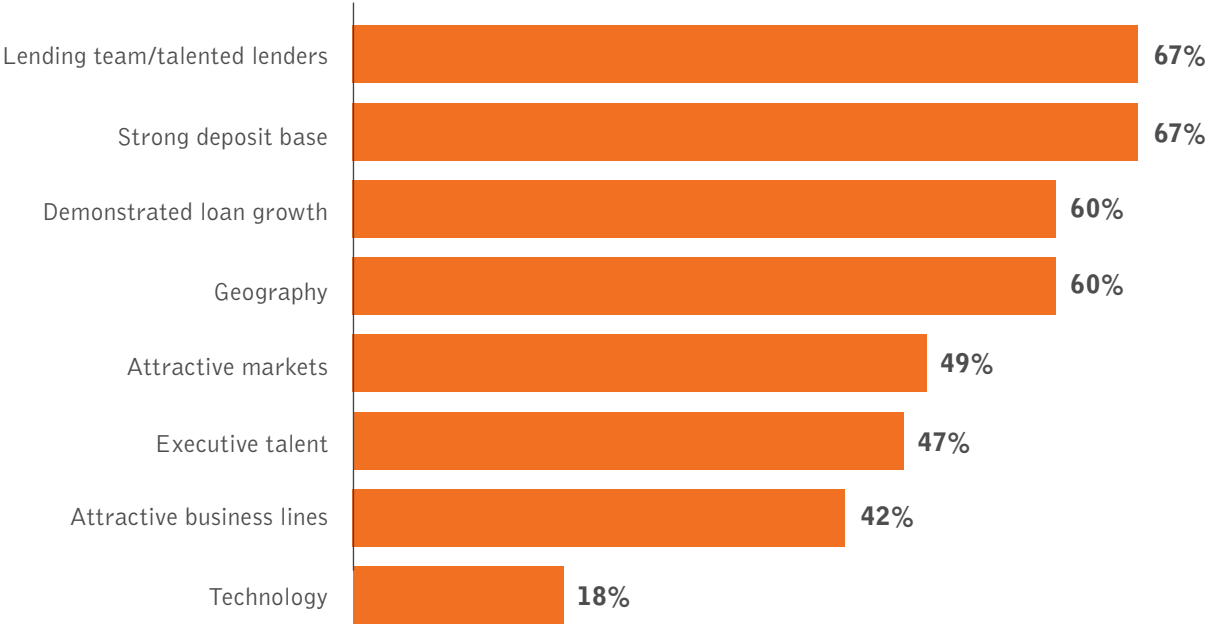
12. Why would you sell the bank, other than to get the best deal for shareholders?

Respondents were asked to select all that apply. Question was only asked of respondents indicating that they're open to a sale, considering a sale or are actively seeking an acquirer.

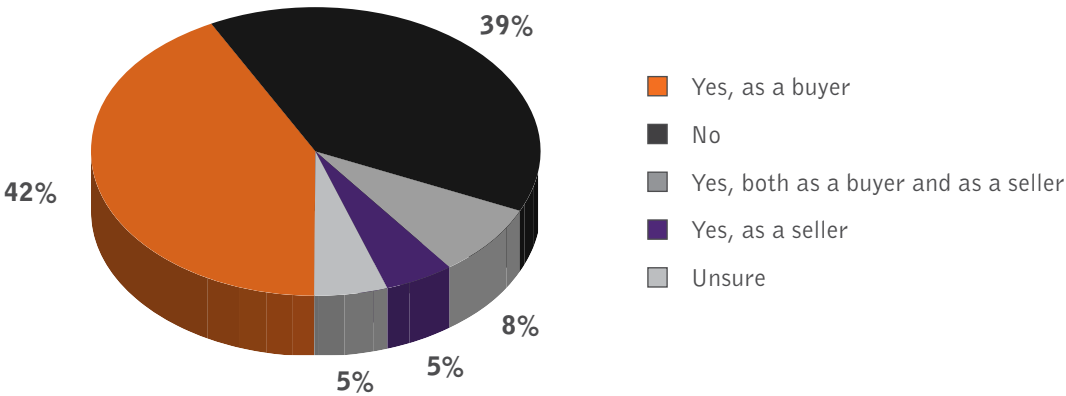


13. As a potential seller, which of the following make your bank more attractive to a potential buyer and drive a higher price for your bank?

Respondents were asked to select all that apply. Question was only asked of respondents indicating that they're open to a sale, considering a sale or are actively seeking an acquirer.



14. Has your bank “walked away” from a deal in the past three years?

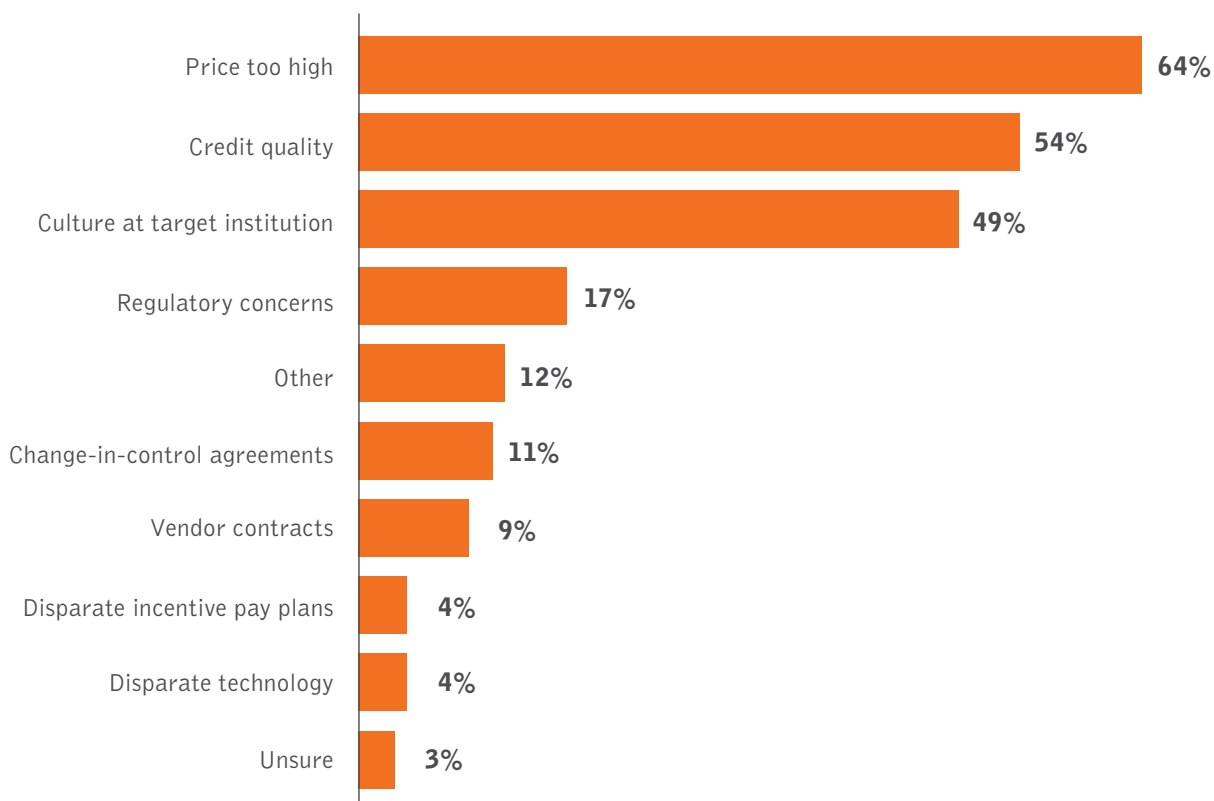


Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Yes, as a buyer	50%	62%	49%	60%	33%	20%	42%
No	50%	31%	31%	22%	42%	59%	39%
Yes, both as a buyer and as a seller	-	8%	9%	5%	12%	9%	8%
Yes, as a seller	-	-	6%	2%	6%	9%	5%
Unsure	-	-	6%	10%	6%	2%	5%

15. As a potential BUYER, which of the following factors have caused your board not to pursue a potential target institution?

Respondents were asked to select all that apply. Question was only asked of respondents who indicated they have walked away from a deal as a buyer.

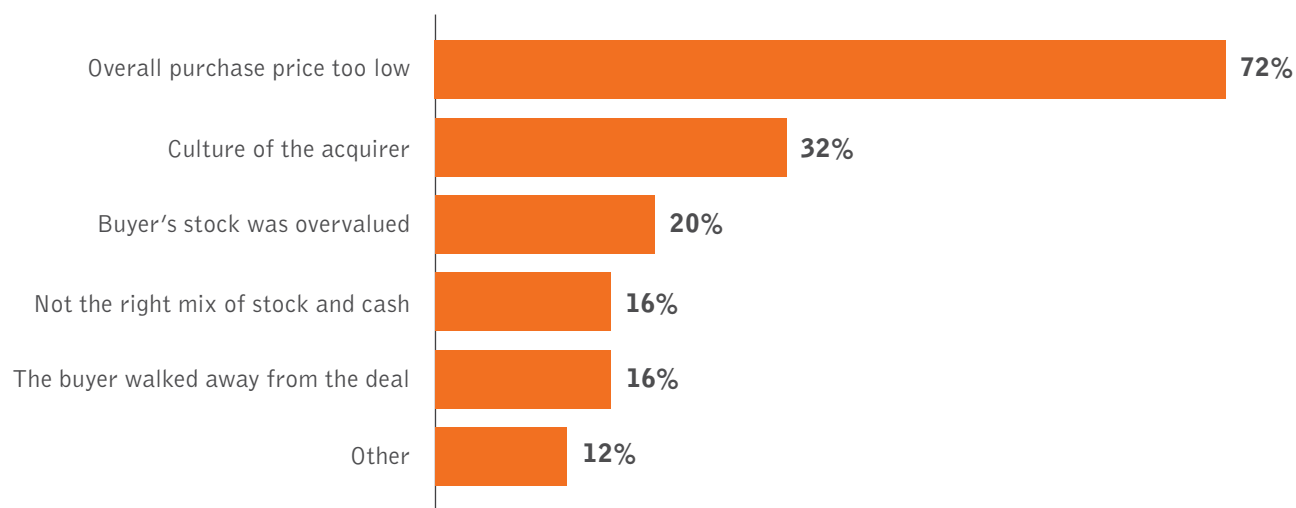
*Indicates a base count of less than 10 within a category.



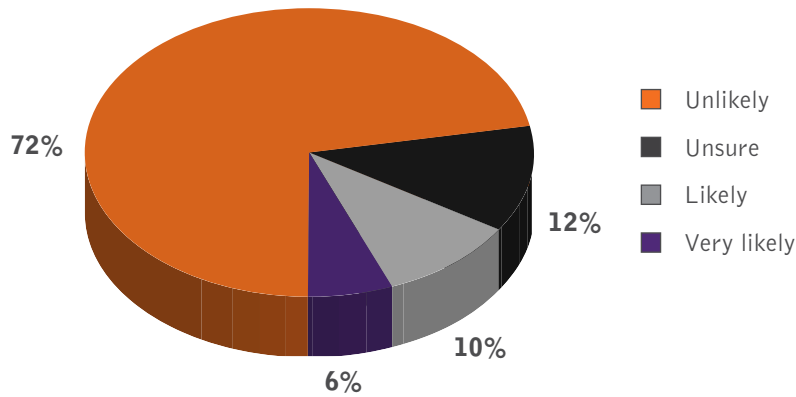
Bank Asset Size	>\$10B*	\$5B-\$10B*	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Price too high	80%	78%	80%	73%	41%	46%	64%
Credit quality	40%	56%	45%	50%	55%	77%	54%
Culture at target institution	40%	56%	35%	50%	59%	54%	49%
Regulatory concerns	40%	11%	10%	27%	9%	15%	17%
Other	20%	33%	10%	4%	18%	-	12%
Change-in-control agreements	20%	11%	10%	12%	14%	-	11%
Vendor contracts	-	11%	5%	19%	5%	8%	9%
Disparate incentive pay plans	-	11%	-	8%	-	8%	4%
Disparate technology	-	-	-	12%	5%	-	4%
Unsure	-	11%	-	4%	5%	-	3%

16. As a potential SELLER, which of the following factors have caused your board to turn down the sale of your institution?

Respondents were asked to select all that apply. Question was only asked of respondents who indicated they have walked away from a deal as a seller.



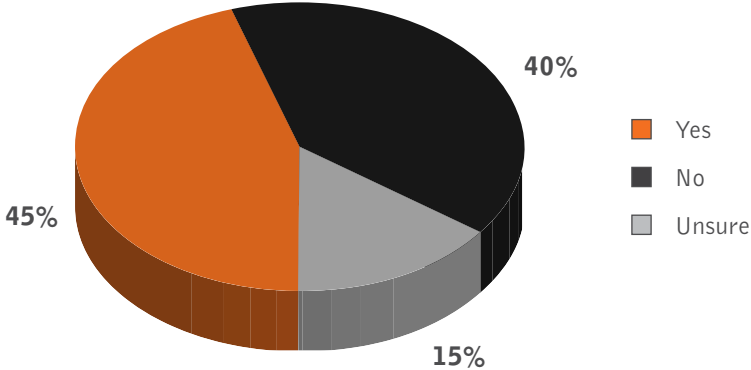
17. By the end of 2017, how likely is it that your institution will purchase a loan portfolio(s)?



Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Unlikely	50%	85%	64%	73%	74%	78%	72%
Unsure	-	8%	14%	15%	15%	9%	12%
Likely	20%	8%	14%	7%	6%	11%	10%
Very likely	30%	-	8%	5%	4%	2%	6%

Region	Southeast	Mid-Atlantic	Northeast	Midwest	West	Total
Unlikely	71%	68%	65%	78%	69%	72%
Unsure	12%	14%	6%	13%	11%	12%
Likely	10%	14%	18%	6%	11%	10%
Very likely	7%	5%	12%	3%	9%	6%

18. Are you beginning to see any deterioration in loan underwriting standards within the banking industry that could lead to credit quality issues in the future?



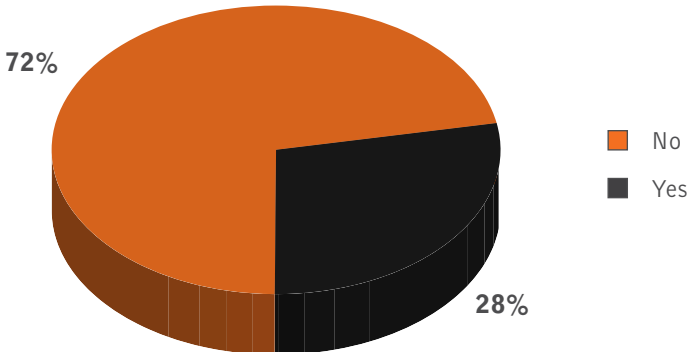
Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Yes	40%	54%	53%	56%	36%	38%	45%
No	40%	38%	36%	34%	49%	40%	40%
Unsure	20%	8%	11%	10%	15%	22%	15%

Region	Southeast	Mid-Atlantic	Northeast	Midwest	West	Total
Yes	41%	55%	59%	45%	37%	45%
No	41%	32%	35%	42%	43%	40%
Unsure	17%	14%	6%	13%	20%	15%

19. Within the past 12 months, has your bank walked away from an acquisition as a result of concerns about the quality of the underwriting standards at the target?

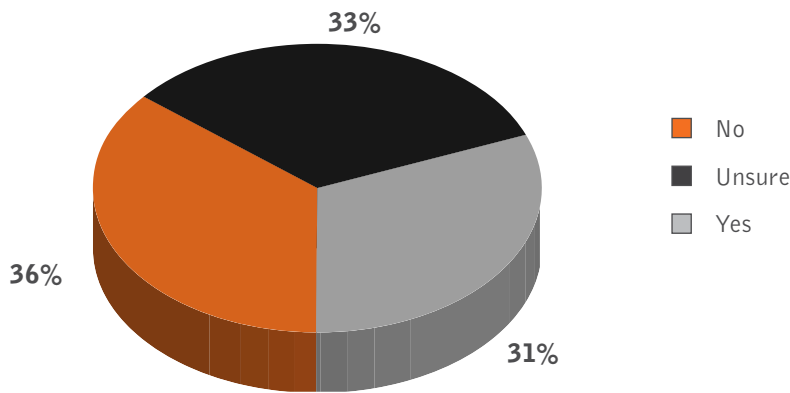
Question was only asked of respondents who indicated they have walked away from a deal as a buyer.

**Indicates a base count of less than 10 within a category.*



Bank Asset Size	>\$10B*	\$5B-\$10B*	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
No	80%	50%	75%	85%	64%	69%	72%
Yes	20%	50%	25%	15%	36%	31%	28%

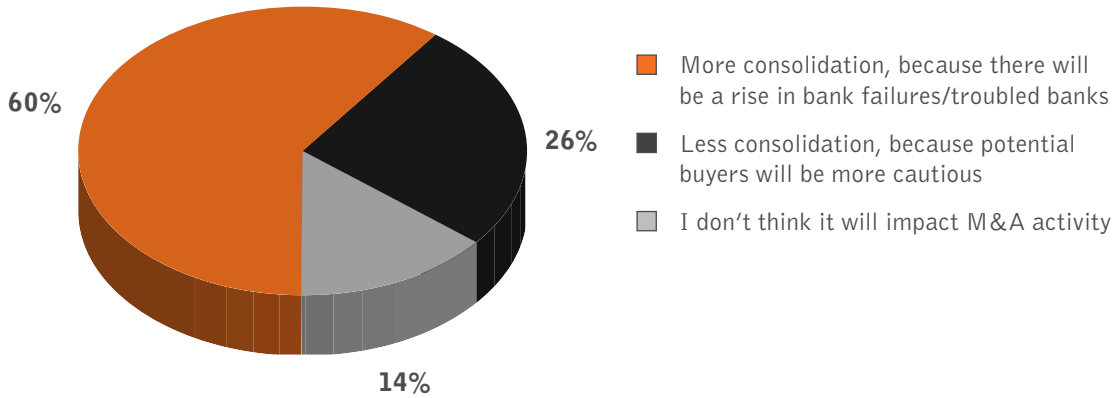
20. Do you believe that the U.S. will experience an economic downturn or recession by the end of 2017?



Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
No	30%	36%	39%	36%	41%	31%	36%
Unsure	40%	36%	36%	28%	30%	33%	33%
Yes	30%	27%	25%	36%	28%	36%	31%

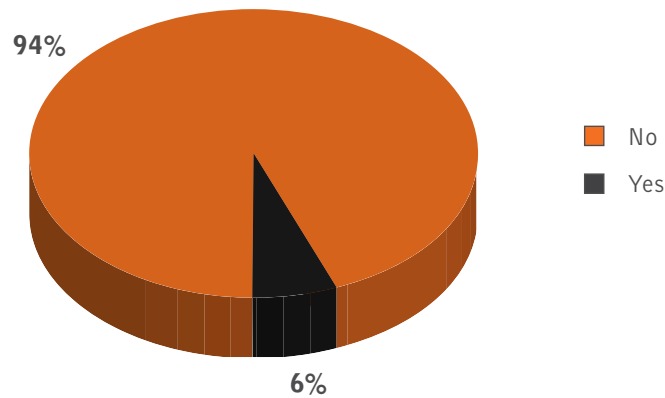
Region	Southeast	Mid-Atlantic	Northeast	Midwest	West	Total
No	38%	35%	41%	39%	26%	36%
Unsure	35%	35%	41%	28%	35%	33%
Yes	28%	30%	18%	33%	38%	31%

21. How do you believe a possible downturn or recession in the near future will impact the banking industry?



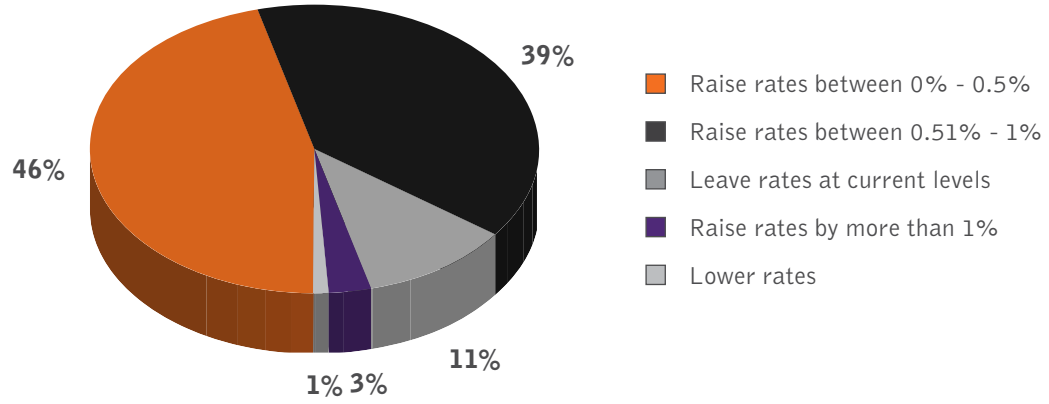
Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
More consolidation, because there will be a rise in bank failures/troubled banks	40%	45%	81%	71%	59%	42%	60%
Less consolidation, because potential buyers will be more cautious	40%	45%	17%	16%	17%	44%	26%
I don't think it will impact M&A activity	20%	9%	3%	13%	24%	13%	14%

22. Are decisions made by your bank's board and management to acquire or sell significantly influenced by your short-term expectations of interest rates set by the Federal Reserve's Federal Open Market Committee (FOMC)?



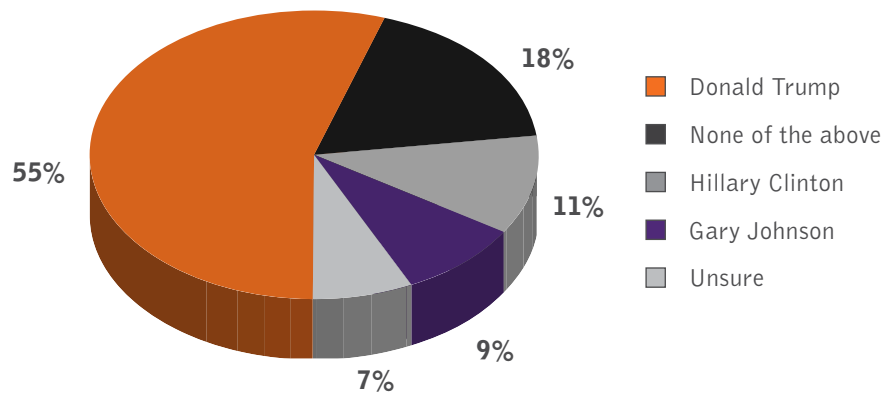
Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
No	80%	91%	100%	95%	93%	93%	94%
Yes	20%	9%	-	5%	7%	7%	6%

23. By the end of 2017, I expect the FOMC to...



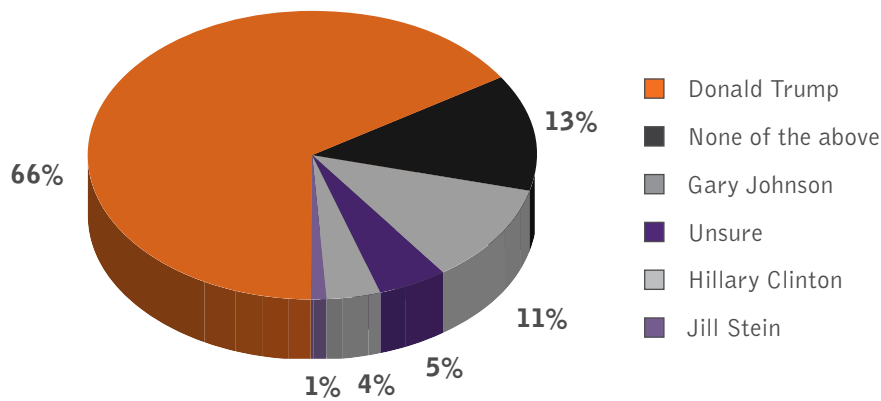
Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Raise rates between 0% - 0.5%	20%	55%	44%	47%	48%	49%	46%
Raise rates between 0.51% - 1%	60%	45%	44%	39%	28%	38%	39%
Leave rates at current levels	20%	-	3%	11%	20%	9%	11%
Raise rates by more than 1%	-	-	6%	3%	2%	4%	3%
Lower rates	-	-	3%	-	2%	-	1%

24. Which presidential nominee do you believe will be best for the economy?



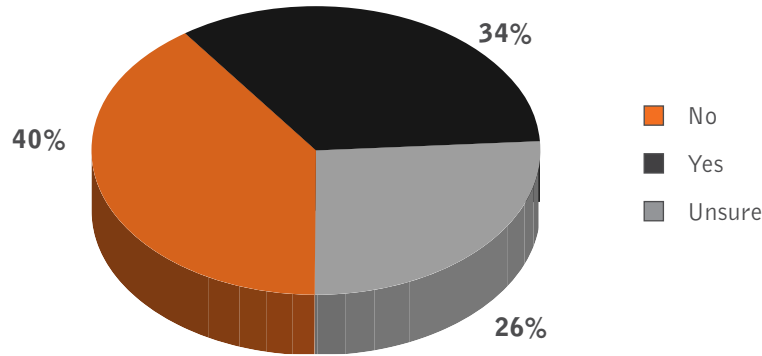
Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Donald Trump (Republican)	20%	36%	44%	51%	63%	70%	55%
None of the above	50%	36%	28%	18%	11%	7%	18%
Hillary Clinton (Democrat)	20%	18%	14%	15%	7%	7%	11%
Gary Johnson (Libertarian)	-	9%	11%	3%	13%	9%	9%
Unsure	10%	-	3%	13%	7%	7%	7%

25. Which presidential nominee is more likely to reduce the regulatory burden on the banking industry?



Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Donald Trump	50%	55%	61%	69%	70%	70%	66%
None of the above	30%	27%	14%	15%	9%	9%	13%
Gary Johnson	-	9%	11%	3%	20%	11%	11%
Unsure	20%	9%	8%	3%	2%	5%	5%
Hillary Clinton	-	-	6%	10%	-	2%	4%
Jill Stein	-	-	-	-	-	2%	1%

26. Do you believe that legislators should pass an updated version of the Glass-Steagall Act, which would potentially break up the big banks?



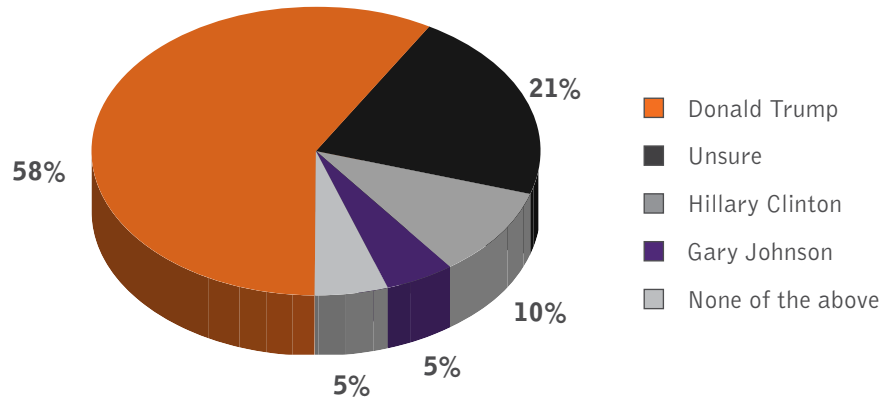
Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
No	70%	27%	50%	51%	30%	30%	40%
Yes	-	27%	25%	36%	43%	39%	34%
Unsure	30%	45%	25%	13%	27%	32%	26%

27. In your opinion, how would each major party candidate impact bank M&A in 2017 and 2018 if he or she is elected?

Donald Trump							
Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
No impact	30%	45%	69%	41%	48%	48%	49%
More deals	60%	36%	20%	32%	24%	26%	28%
Fewer deals	10%	18%	11%	27%	29%	26%	23%

Hillary Clinton							
Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
More deals	10%	27%	29%	32%	50%	43%	37%
No impact	20%	36%	57%	35%	24%	29%	34%
Fewer deals	70%	36%	14%	32%	26%	29%	29%

28. Who do you plan to vote for in the presidential election?



Bank Asset Size	>\$10B	\$5B-\$10B	\$1B-\$5B	\$500M-\$1B	\$250M-\$500M	<\$250M	Total
Donald Trump	30%	36%	51%	59%	61%	73%	58%
Unsure	40%	36%	20%	21%	20%	16%	21%
Hillary Clinton	20%	9%	14%	13%	7%	7%	10%
Gary Johnson	10%	9%	11%	-	7%	-	5%
None of the above	-	9%	3%	8%	7%	5%	5%

Region	Southeast	Mid-Atlantic	Northeast	Midwest	West	Total
Donald Trump	65%	39%	35%	63%	62%	58%
Unsure	15%	39%	29%	21%	15%	21%
Hillary Clinton	12%	17%	18%	8%	6%	10%
Gary Johnson	2%	-	6%	5%	9%	5%
None of the above	5%	6%	12%	3%	9%	5%

ABOUT THE SURVEY

In August and September 2016, Bank Director surveyed 206 chief executives, chief financial officers, chairmen and directors of U.S. banks. Crowe Horwath LLP sponsored the online survey. Independent chairmen and directors account for 43 percent of responses, and CEOs 41 percent. Twenty-seven percent most recently participated in an acquisition or merger in 2015 or 2016. Twenty-nine percent of survey participants represent banks with more than \$1 billion in assets. Fifty-five percent are from privately-held institutions.

