

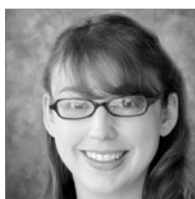
A Crowe Horwath LLP study produced in association with

BankDirector

2014 Bank M&A Survey Summary Report

NOV 2013 | RESEARCH





Emily McCormick
is the director of research for Bank Director, an information resource for directors and officers of financial companies. You can follow her on Twitter at twitter.com/ehmccormick or get connected on LinkedIn.

Executive Summary

Is it harder to get regulatory approval for a deal these days? Fifty-eight percent of respondents to Bank Director's 2014 Bank M&A Survey, sponsored by Crowe Horwath LLP, believe it is more difficult than five years ago. Specifically, bank executives and directors find that regulators have increased their scrutiny on aspects of the deal such as regulatory compliance and capital adequacy.

So will the regulators impede bank M&A, preventing that long-predicted increase in deals from happening in 2014? Bankers don't seem to think so. In fact, 76 percent of respondents expect to see more bank M&A deals in 2014. Just 7 percent expect activity to decrease.

Will Basel III have an impact on M&A deals as it takes effect in January? Forty-one percent of survey participants believe that Basel III will result in an increase in deals, while 32 percent don't think that Basel III will impact bank M&A at all. When asked about their own bank's strategy, 54 percent feel that Basel III will have little impact, and 29 percent are unsure what the impact will be.

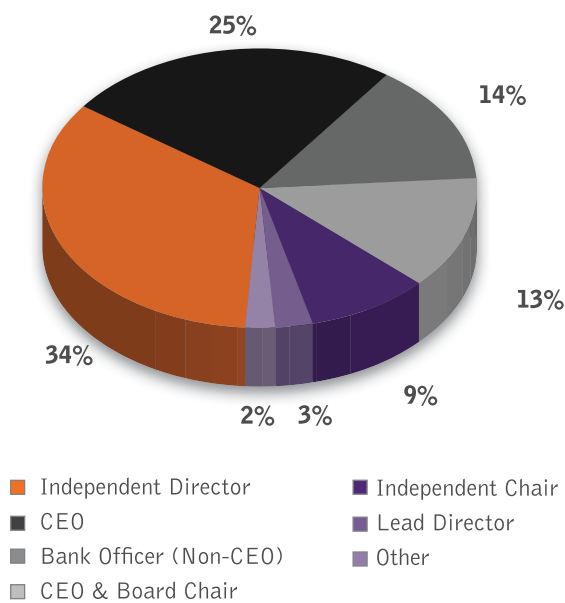
So what do potential buyers and sellers have to say about bank M&A for the coming year?

- More than half, 52 percent, of respondents say that their bank plans to purchase a healthy bank this year. Will their plans come to fruition? Last year, the 2013 Bank M&A Survey found that 46 percent of respondents planned to purchase a healthy bank, while this year's survey finds that just 24 percent purchased a healthy bank in 2013.
- What are the barriers to making a deal? Thirty-five percent say that coming to an agreement on price is the single greatest challenge their boards face when considering an acquisition or merger of equals. Potential buyers, at 63 percent, say that pricing expectations are just too high. Forty percent worry about asset quality, and 38 percent say that the boards of targeted banks just aren't willing to sell.
- Will more banks consider a sale in 2014? Only 5 percent of respondents indicate that they're willing to sell a bank. There are a number of reasons that these banks won't sell out: Forty-eight percent say that the bank's board and management want to remain independent, and 42 percent say that current pricing is too low.
- When asked to provide the top three reasons for selling their bank, almost half of respondents say they would entertain a sale if the bank received an attractive offer. The second and third most popular reasons for a possible sale are the high cost of regulation, at 25 percent, and limited organic growth opportunities, at 23 percent.
- Once the deal is done, what are the most difficult aspects of the acquisition? Assessing credit quality issues at the acquired institution is cited as a challenge for 53 percent of respondents. Post-merger integration, at 45 percent, and cultural compatibility, at 43 percent, continue to be problematic for buyers. However, many respondents report that they are satisfied with some of the stickier points of the deal, like cultural fit, growth in market share and technology integration.

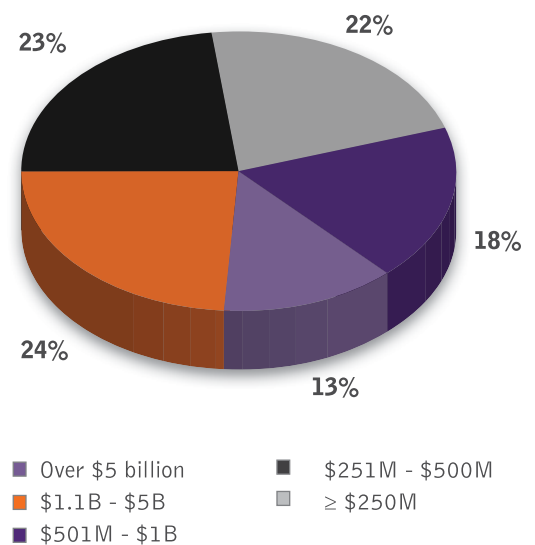
ABOUT THE SURVEY

In September 2013, Bank Director surveyed 231 bank executives and directors on issues related to mergers and acquisitions, specifically focusing on what challenges and opportunities face buyers and sellers in the banking industry. The survey was conducted via email. Response from publicly traded and privately held banks was almost evenly split. Independent board members account for 46 percent of response, and 38 percent of participants serve as the chief executive officer of the bank.

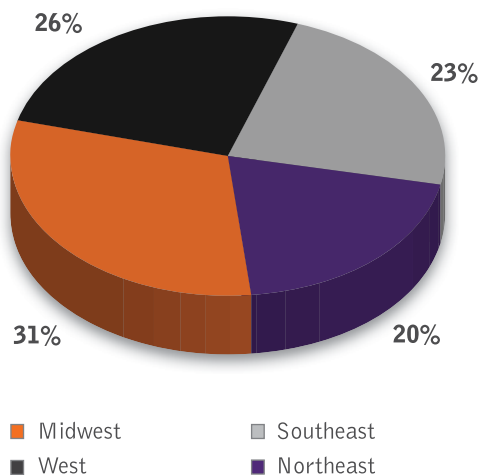
TITLE BREAKDOWN



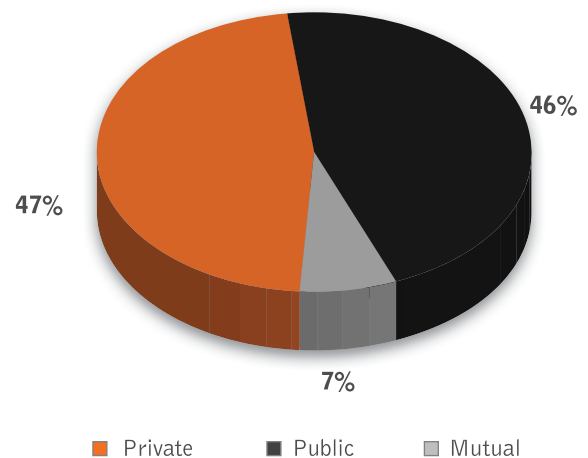
SIZE OF BANK



REGION

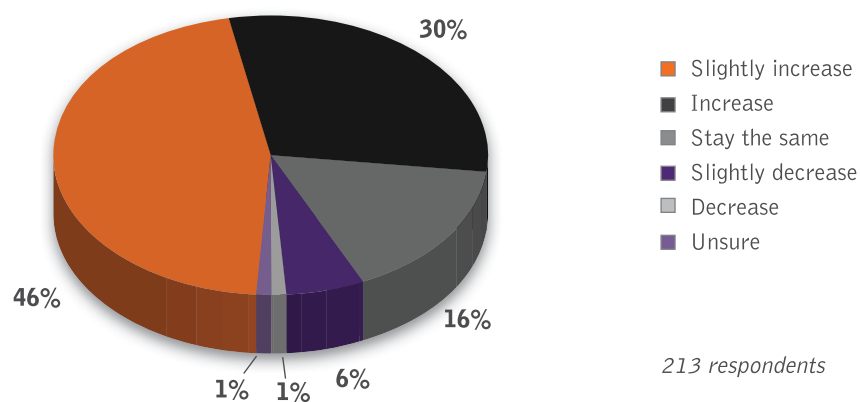


BANK OWNERSHIP



PREDICTIONS FOR BANK M&A IN 2014

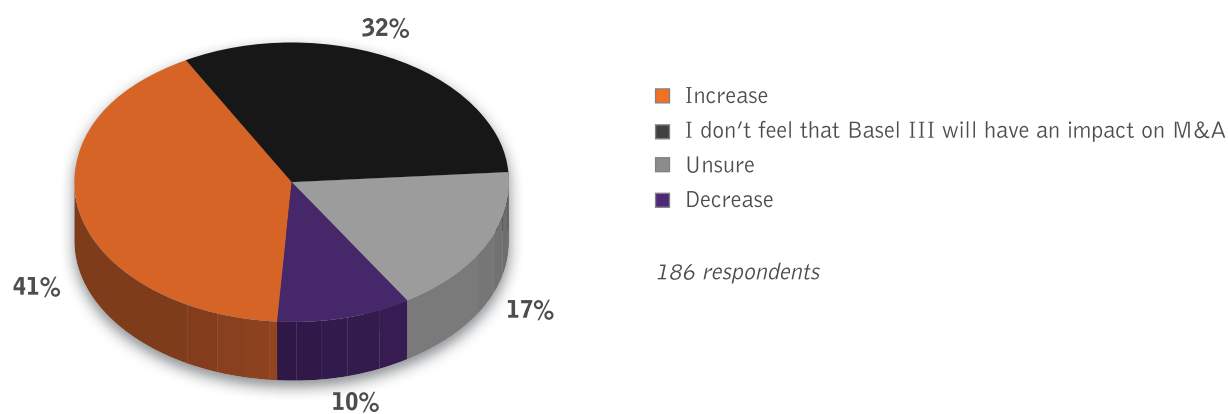
1. Thinking ahead to 2014, do you think the number of M&A deals in the banking industry will:



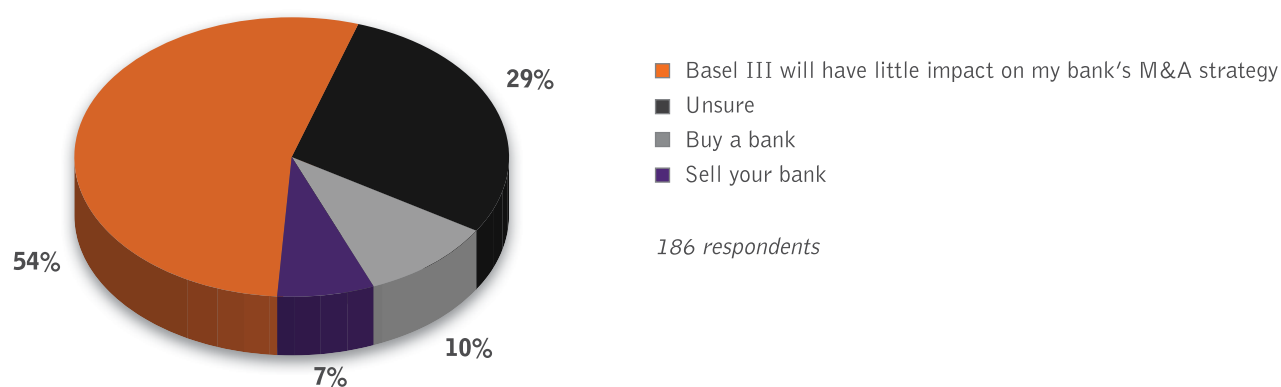
Bank Asset Size	Over \$5B	\$1.1B - \$5B	\$501M - \$1B	\$251M - \$500M	≥ \$250M
Increase	30%	32%	33%	24%	29%
Slightly increase	37%	54%	45%	41%	46%
Stay the same	26%	10%	8%	22%	21%
Slightly decrease	7%	4%	10%	9%	2%
Decrease	0%	0%	3%	2%	2%
Unsure	0%	0%	3%	2%	0%

Region	Northeast	Southeast	Midwest	West
Increase	37%	20%	33%	30%
Slightly increase	42%	48%	43%	48%
Stay the same	14%	17%	18%	15%
Slightly decrease	7%	13%	3%	4%
Decrease	0%	0%	3%	2%
Unsure	0%	2%	0%	2%

2. Do you believe that the finalization of the Basel III rules will cause M&A activity to:



3. Will the finalized Basel III rules make you more likely to:



Bank Asset Size	Over \$5B	\$1.1B - \$5B	\$501M - \$1B	\$251M - \$500M	≥ \$250M
Sell your bank	0%	5%	6%	12%	7%
Buy a bank	26%	7%	6%	7%	9%
Basel III will have little impact on my bank's M&A strategy	48%	64%	67%	44%	49%
Unsure	26%	25%	21%	37%	35%

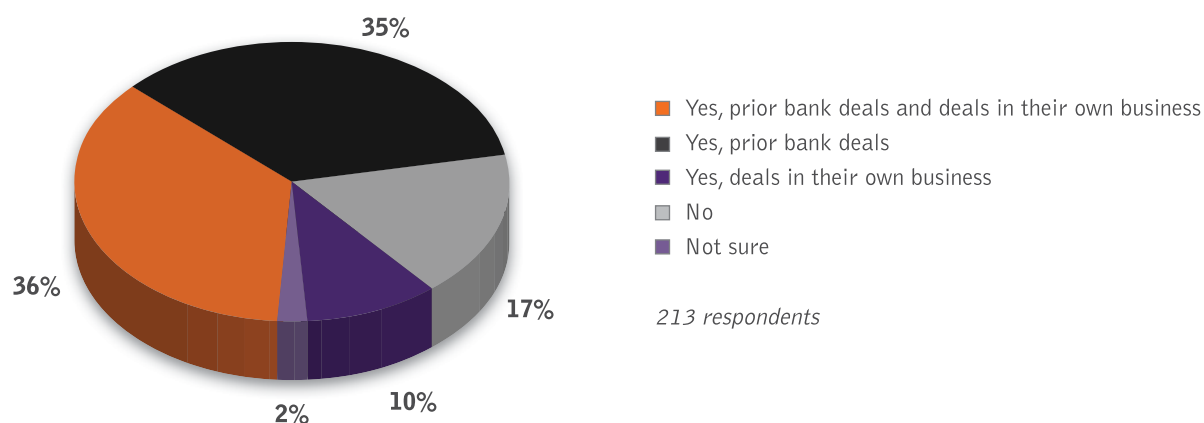
4. What are the most important characteristics that allow a bank to remain sustainable and independent?

Respondents ranked the following in order of importance.

- 1 - High level of profitability
- 2 - Capital
- 3 - Ability to compete through excellent customer service
- 4 - Strong local economy
- 5 - Size of the institution
- 6 - Investment in technology
- 7 - Niche market
- 8 - Willingness to adapt retail strategy to changing consumer preferences

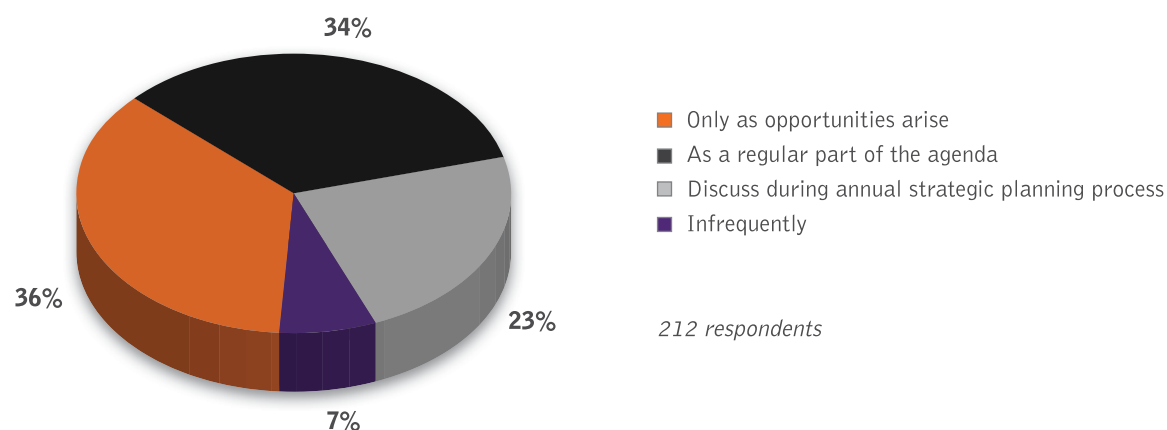
THE BOARD'S APPROACH TO M&A

5. Does your board have directors with M&A experience?



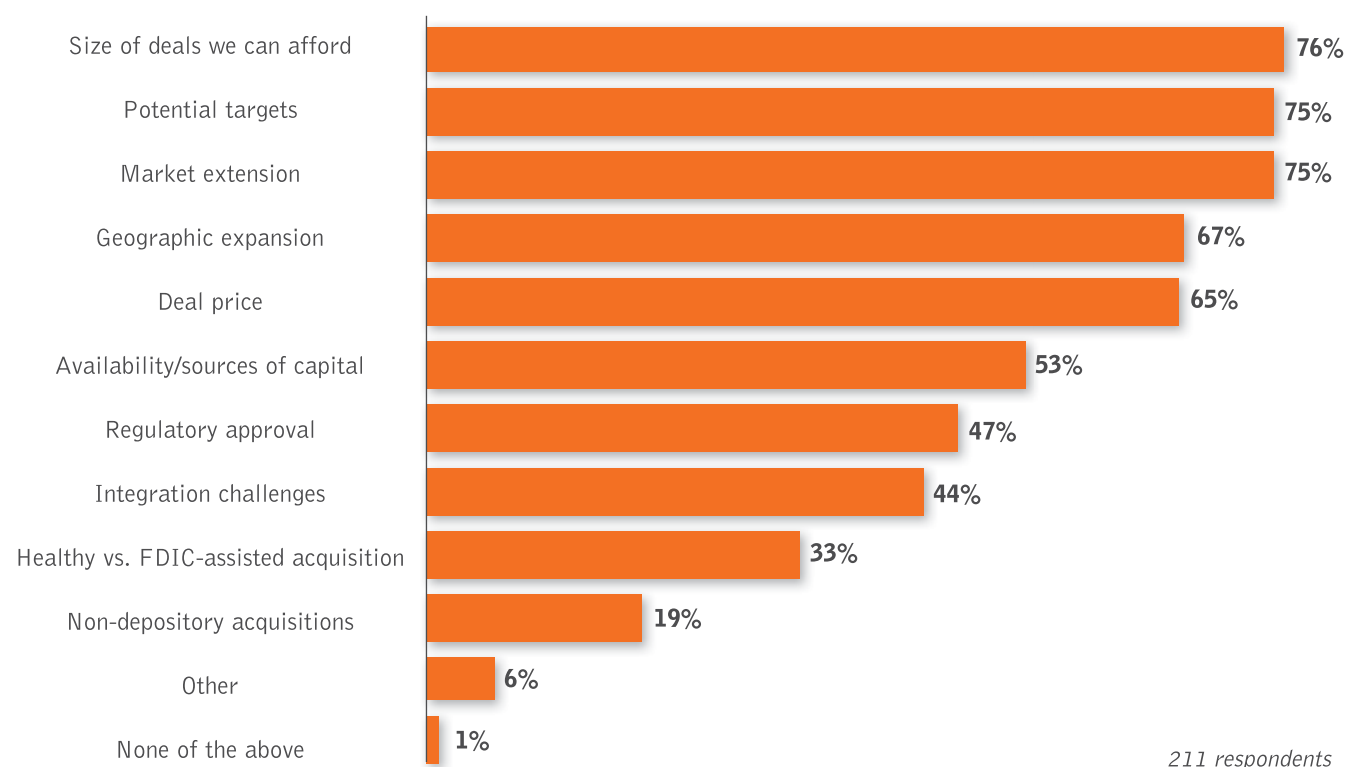
Bank Asset Size	Over \$5B	\$1.1B - \$5B	\$501M - \$1B	\$251M - \$500M	≥ \$250M
Yes, prior bank deals and deals in their own business	48%	54%	30%	28%	23%
Yes, prior bank deals	48%	34%	43%	30%	27%
Yes, deals in their own business	0%	8%	15%	15%	8%
No	4%	0%	13%	26%	40%
Not sure	0%	4%	0%	2%	2%

6. With what frequency does your board discuss either an acquisition or possible sale?



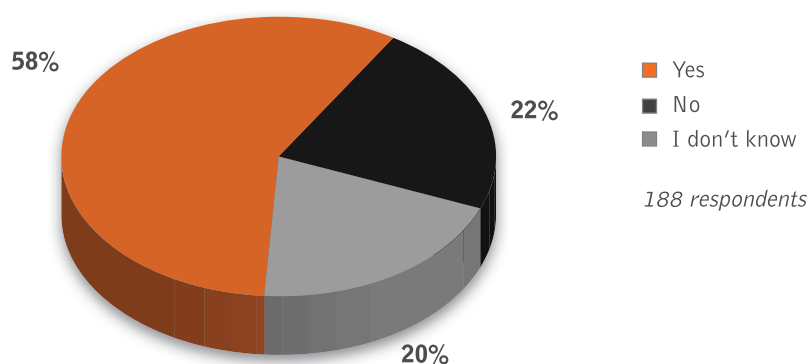
7. When your board discusses acquisition opportunities, which of the following are analyzed?

Respondents were asked to select all that apply.



Bank Asset Size	Over \$5B	\$1.1B - \$5B	\$501M - \$1B	\$251M - \$500M	≥ \$250M
Size of deals we can afford	67%	78%	83%	73%	75%
Potential targets	78%	82%	75%	67%	75%
Market extension	96%	84%	73%	73%	60%
Geographic expansion	81%	70%	83%	49%	60%
Deal price	70%	72%	58%	58%	67%
Availability/sources of capital	33%	48%	60%	47%	69%
Regulatory approval	70%	48%	28%	44%	50%
Integration challenges	37%	62%	43%	38%	33%
Healthy vs. FDIC-assisted acquisition	44%	38%	40%	44%	8%
Non-depository acquisitions	7%	30%	15%	18%	15%
Other	11%	10%	3%	2%	6%
None of the above	4%	0%	3%	2%	0%

8. Do you feel that it is more difficult to get regulatory approval to make any kind of acquisition than it was five years ago?



Bank Asset Size	Over \$5B	\$1.1B - \$5B	\$501M - \$1B	\$251M - \$500M	≥ \$250M
Yes	83%	62%	50%	39%	60%
No	4%	24%	24%	37%	16%
I don't know	13%	13%	26%	24%	23%

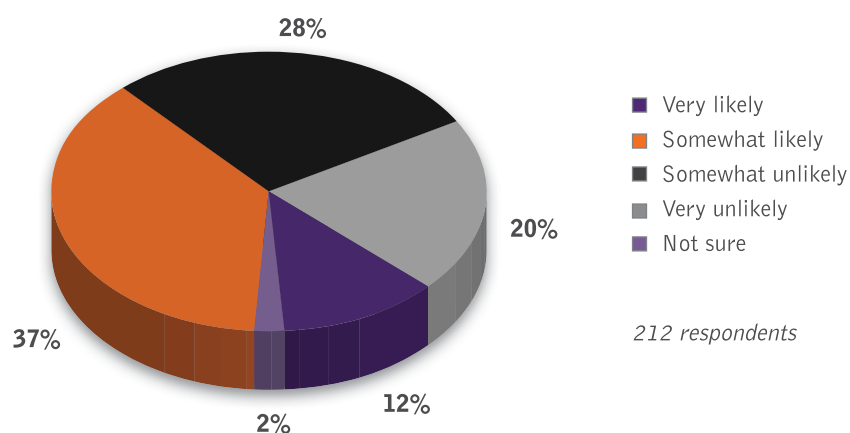
9. If yes to the above, in what areas do you believe the regulators have increased their scrutiny as relates to M&A?

Please rate each on a scale of 1-5, with 5 indicating the highest level of scrutiny and 1 indicating no scrutiny.

M&A Area	1	2	3	4	5	Responses
Regulatory compliance	2%	4%	16%	30%	50%	115
CAMELS ratings	1%	4%	18%	48%	29%	113
Capital adequacy	3%	1%	4%	31%	60%	116
Regulatory approval for the transaction	0%	2%	21%	41%	36%	113

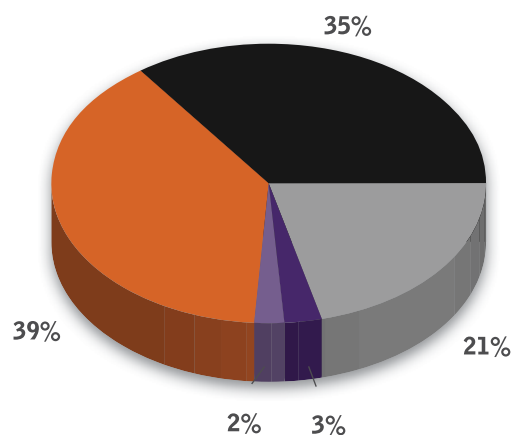
BUYERS VS. SELLERS

10. How likely would you be to consider a merger of equals?



Bank Asset Size	Over \$5B	\$1.1B - \$5B	\$501M - \$1B	\$251M - \$500M	≥ \$250M
Very likely	4%	10%	18%	9%	19%
Somewhat likely	22%	52%	23%	42%	38%
Somewhat unlikely	30%	18%	40%	33%	23%
Very unlikely	44%	18%	18%	16%	15%
Not sure	0%	2%	3%	0%	6%

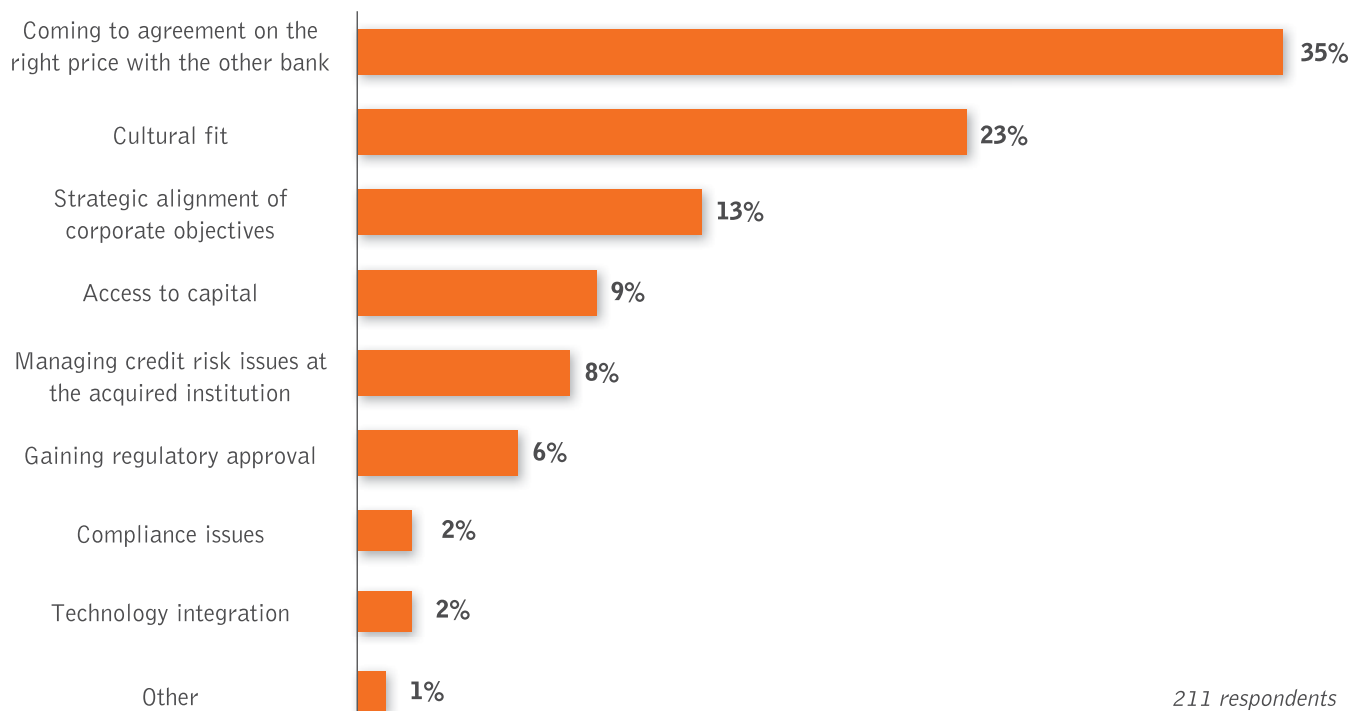
11. Which of the following describes the primary reason why you would or would not consider a merger of equals?



- I would not consider a merger of equals, because I don't believe you can ever truly have a merger of equals—one bank will become the "lead acquirer"
- I would consider a merger of equals as a way of gaining more scale so I can spread our operating and/or regulatory compliance costs over a wider base
- I would consider a merger of equals if it was the only way to consummate a deal with an attractive merger partner
- I would not consider a merger of equals, because I worry that we would lose key members of our management team
- I would consider a merger of equals, because my bank stock price isn't high enough to acquire another bank

212 respondents

12. What do you see as the greatest challenge your board faces in considering an acquisition or merger of equals?



211 respondents

13. If your bank has made an acquisition during your time of service on the board, please rate the following:

Respondents were asked to rate each on a scale of 1-5, with 5 indicating the highest level of satisfaction and 1 indicating the lowest.

M&A Area	1	2	3	4	5	Responses
Growth in market share	2%	2%	19%	46%	31%	119
Improved earnings per share	2%	9%	23%	39%	27%	117
Non-dilution of tangible book value per share	1%	8%	33%	32%	27%	114
Credit quality consistent with our expectations	3%	7%	31%	28%	31%	116
Cultural fit	4%	9%	27%	33%	27%	117
Technology integration	3%	8%	22%	41%	26%	116

BUYER**14. How many of the following types of acquisitions have your institution done in the last 12 months?**

Acquisition Type	None		1		2		3		4		5 or more		Responses
	%	#	%	#	%	#	%	#	%	#	%	#	#
Merger of equals	99%	141	1%	1	0%	0	0%	0	0%	0	0%	0	142
Healthy-Whole Bank	76%	117	16%	25	7%	11	0%	0	0%	0	1%	1	154
Branches	77%	118	15%	23	2%	3	3%	4	1%	2	2%	3	153
Non-depository line(s) of business	89%	123	7%	9	5%	7	0%	0	0%	0	0%	0	139
Loan portfolio	88%	124	9%	12	2%	3	1%	1	1%	1	0%	0	141
FDIC-assisted bank	92%	129	4%	6	4%	5	0%	0	0%	0	0%	0	140

Merger of Equals						
Bank Asset Size	None	1	2	3	4	5 or more
Over \$5B	100%	0%	0%	0%	0%	0%
\$1.1B - \$5B	97%	3%	0%	0%	0%	0%
\$501M - \$1B	100%	0%	0%	0%	0%	0%
\$251M - \$500M	100%	0%	0%	0%	0%	0%
≥ \$250M	100%	0%	0%	0%	0%	0%

Healthy-Whole Bank						
Bank Asset Size	None	1	2	3	4	5 or more
Over \$5B	55%	18%	23%	0%	0%	5%
\$1.1B - \$5B	46%	41%	14%	0%	0%	0%
\$501M - \$1B	89%	11%	0%	0%	0%	0%
\$251M - \$500M	94%	6%	0%	0%	0%	0%
≥ \$250M	94%	3%	3%	0%	0%	0%

Branches						
Bank Asset Size	None	1	2	3	4	5 or more
Over \$5B	81%	13%	0%	0%	0%	6%
\$1.1B - \$5B	66%	14%	9%	6%	3%	3%
\$501M - \$1B	77%	20%	0%	3%	0%	0%
\$251M - \$500M	83%	14%	0%	3%	0%	0%
≥ \$250M	83%	14%	0%	0%	3%	0%

Non-depository line(s) of business						
Bank Asset Size	None	1	2	3	4	5 or more
Over \$5B	75%	6%	19%	0%	0%	0%
\$1.1B - \$5B	73%	17%	10%	0%	0%	0%

Non-depository line(s) of business						
Bank Asset Size	None	1	2	3	4	5 or more
\$501M - \$1B	89%	11%	0%	0%	0%	0%
\$251M - \$500M	100%	0%	0%	0%	0%	0%
≥ \$250M	97%	0%	3%	0%	0%	0%

Loan portfolio						
Bank Asset Size	None	1	2	3	4	5 or more
Over \$5B	81%	13%	6%	0%	0%	0%
\$1.1B - \$5B	83%	7%	3%	3%	3%	0%
\$501M - \$1B	90%	10%	0%	0%	0%	0%
\$251M - \$500M	91%	9%	0%	0%	0%	0%
≥ \$250M	91%	6%	3%	0%	0%	0%

FDIC-assisted bank						
Bank Asset Size	None	1	2	3	4	5 or more
Over \$5B	94%	0%	6%	0%	0%	0%
\$1.1B - \$5B	75%	16%	9%	0%	0%	0%
\$501M - \$1B	96%	0%	4%	0%	0%	0%
\$251M - \$500M	97%	3%	0%	0%	0%	0%
≥ \$250M	100%	0%	0%	0%	0%	0%

Merger of Equals						
Region	None	1	2	3	4	5 or more
Northeast	100%	0%	0%	0%	0%	0%
Southeast	97%	3%	0%	0%	0%	0%
Midwest	100%	0%	0%	0%	0%	0%
West	100%	0%	0%	0%	0%	0%

Healthy-Whole Bank						
Region	None	1	2	3	4	5 or more
Northeast	84%	10%	6%	0%	0%	0%
Southeast	80%	13%	7%	0%	0%	0%
Midwest	76%	22%	0%	0%	0%	2%
West	69%	17%	14%	0%	0%	0%

Branches						
Region	None	1	2	3	4	5 or more
Northeast	81%	9%	0%	0%	0%	9%
Southeast	84%	10%	6%	0%	0%	0%
Midwest	72%	22%	0%	6%	0%	0%
West	77%	15%	3%	3%	3%	0%

Non-depository line(s) of business						
Region	None	1	2	3	4	5 or more
Northeast	87%	7%	7%	0%	0%	0%
Southeast	96%	4%	0%	0%	0%	0%
Midwest	87%	7%	7%	0%	0%	0%
West	86%	8%	6%	0%	0%	0%

Loan portfolio						
Region	None	1	2	3	4	5 or more
Northeast	90%	7%	3%	0%	0%	0%
Southeast	96%	4%	0%	0%	0%	0%
Midwest	83%	13%	2%	2%	0%	0%
West	89%	9%	3%	0%	0%	0%

FDIC-assisted bank						
Region	None	1	2	3	4	5 or more
Northeast	94%	3%	3%	0%	0%	0%
Southeast	86%	14%	0%	0%	0%	0%
Midwest	93%	2%	5%	0%	0%	0%
West	94%	0%	6%	0%	0%	0%

SELLER

15. During the last 12 months, has your bank sold any of the following?

Acquisition Type	None		1		2		3		4		5 or more		Responses
	%	#	%	#	%	#	%	#	%	#	%	#	#
Branches	92%	156	4%	6	2%	3	0%	0	1%	1	2%	3	169
Non-depository line(s) of business	95%	157	5%	9	0%	0	0%	0	0%	0	0%	0	166
Loan portfolio	89%	149	8%	13	1%	1	1%	1	1%	1	1%	2	167

Branches						
Bank Asset Size	None	1	2	3	4	5 or more
Over \$5B	90%	0%	5%	0%	5%	0%
\$1.1B - \$5B	91%	5%	5%	0%	0%	0%
\$501M - \$1B	91%	3%	0%	0%	0%	6%
\$251M - \$500M	91%	6%	0%	0%	0%	3%
≥ \$250M	97%	3%	0%	0%	0%	0%

Non-depository line(s) of business						
Bank Asset Size	None	1	2	3	4	5 or more
Over \$5B	91%	9%	0%	0%	0%	0%
\$1.1B - \$5B	90%	10%	0%	0%	0%	0%

Non-depository line(s) of business						
Bank Asset Size	None	1	2	3	4	5 or more
\$501M - \$1B	97%	3%	0%	0%	0%	0%
\$251M - \$500M	97%	3%	0%	0%	0%	0%
≥ \$250M	100%	0%	0%	0%	0%	0%

Loan portfolio						
Bank Asset Size	None	1	2	3	4	5 or more
Over \$5B	82%	5%	0%	5%	5%	5%
\$1.1B - \$5B	81%	17%	2%	0%	0%	0%
\$501M - \$1B	97%	3%	0%	0%	0%	0%
\$251M - \$500M	94%	6%	0%	0%	0%	0%
≥ \$250M	91%	6%	0%	0%	0%	3%

Branches						
Region	None	1	2	3	4	5 or more
Northeast	91%	3%	6%	0%	0%	0%
Southeast	94%	6%	0%	0%	0%	0%
Midwest	89%	2%	2%	0%	2%	5%
West	95%	5%	0%	0%	0%	0%

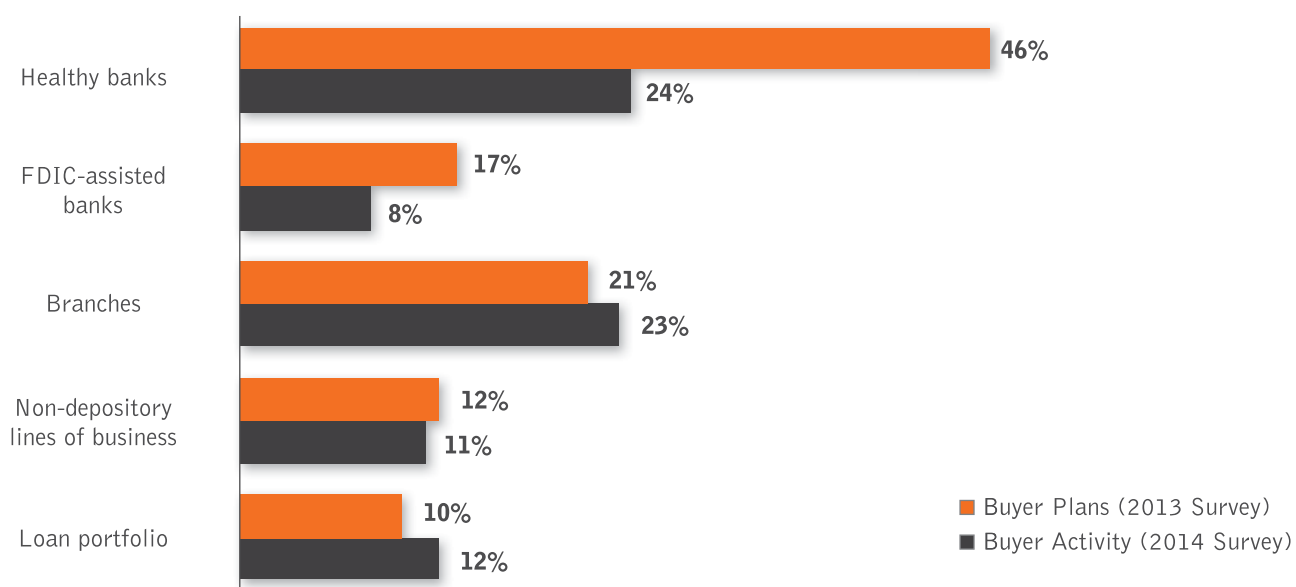
Non-depository line(s) of business						
Region	None	1	2	3	4	5 or more
Northeast	91%	9%	0%	0%	0%	0%
Southeast	97%	3%	0%	0%	0%	0%
Midwest	96%	4%	0%	0%	0%	0%
West	93%	7%	0%	0%	0%	0%

Loan portfolio						
Region	None	1	2	3	4	5 or more
Northeast	75%	17%	3%	3%	0%	3%
Southeast	91%	9%	0%	0%	0%	0%
Midwest	96%	4%	0%	0%	0%	0%
West	90%	5%	0%	0%	2%	2%

ANALYSIS

16. Based on the 2013 Bank M&A Survey, how did buyer and seller expectations match actual activity reported for 2013?

Plans to Purchase a Bank in 2013 versus Reported Buyer Activity in 2013

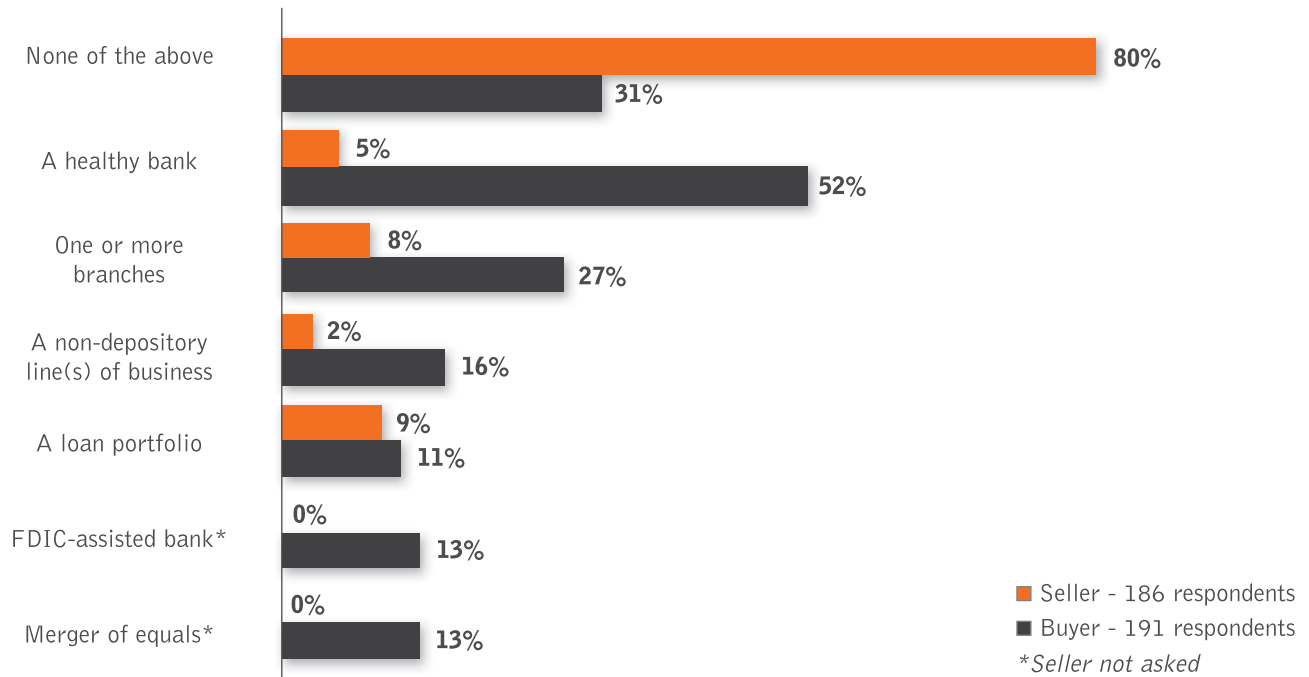


Plans to Sell a Bank in 2013 versus Reported Seller Activity in 2013



17. Over the next 12 months, is your institution intending to purchase or sell any of the following?

Respondents were asked to select all that apply. This was posed as two separate questions to potential buyers and sellers.

**BUYERS**

Bank Asset Size	Over \$5B	\$1.1B - \$5B	\$501M - \$1B	\$251M - \$500M	≥ \$250M
None of the above	33%	17%	38%	26%	44%
A healthy bank	54%	68%	46%	61%	30%
One or more branches	25%	26%	30%	32%	23%
A non-depository line(s) of business	17%	30%	14%	8%	9%
A loan portfolio	17%	15%	5%	11%	7%
FDIC-assisted bank	33%	11%	8%	24%	0%
Merger of equals	13%	11%	5%	18%	19%

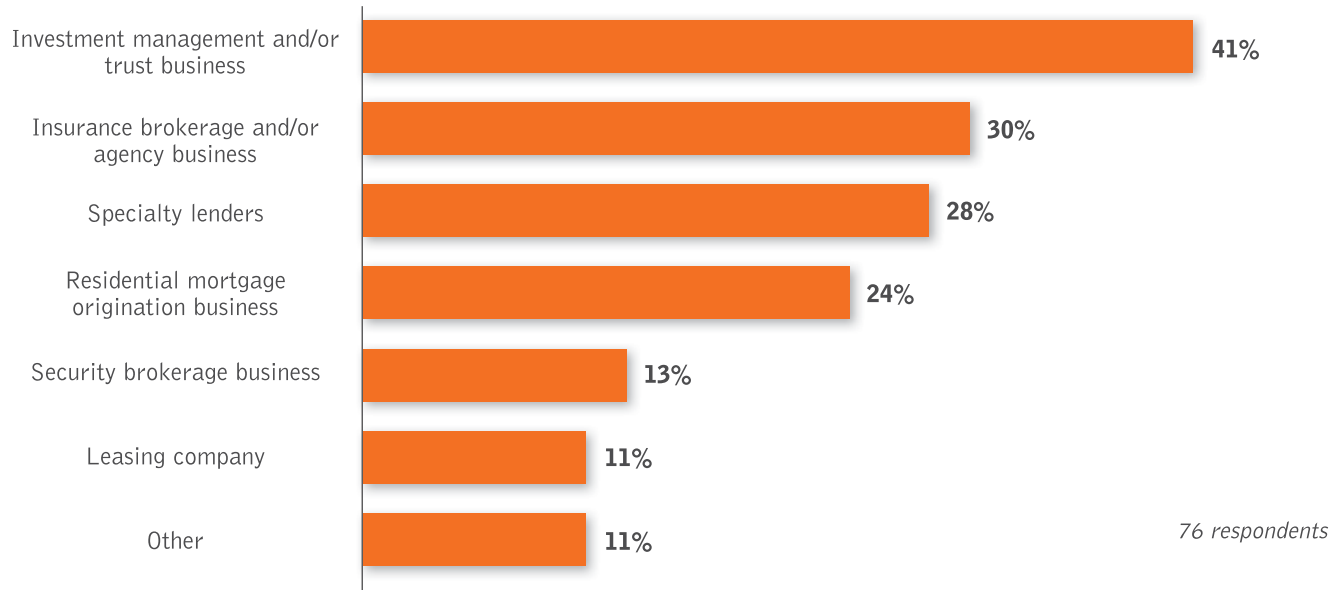
Bank Asset Size	Northeast	Southeast	Midwest	West
None of the above	31%	40%	28%	29%
A healthy bank	51%	48%	54%	52%
One or more branches	28%	23%	33%	21%
A non-depository line(s) of business	13%	10%	18%	21%
A loan portfolio	21%	10%	5%	8%
FDIC-assisted bank	10%	20%	11%	10%
Merger of equals	18%	13%	8%	17%

SELLERS

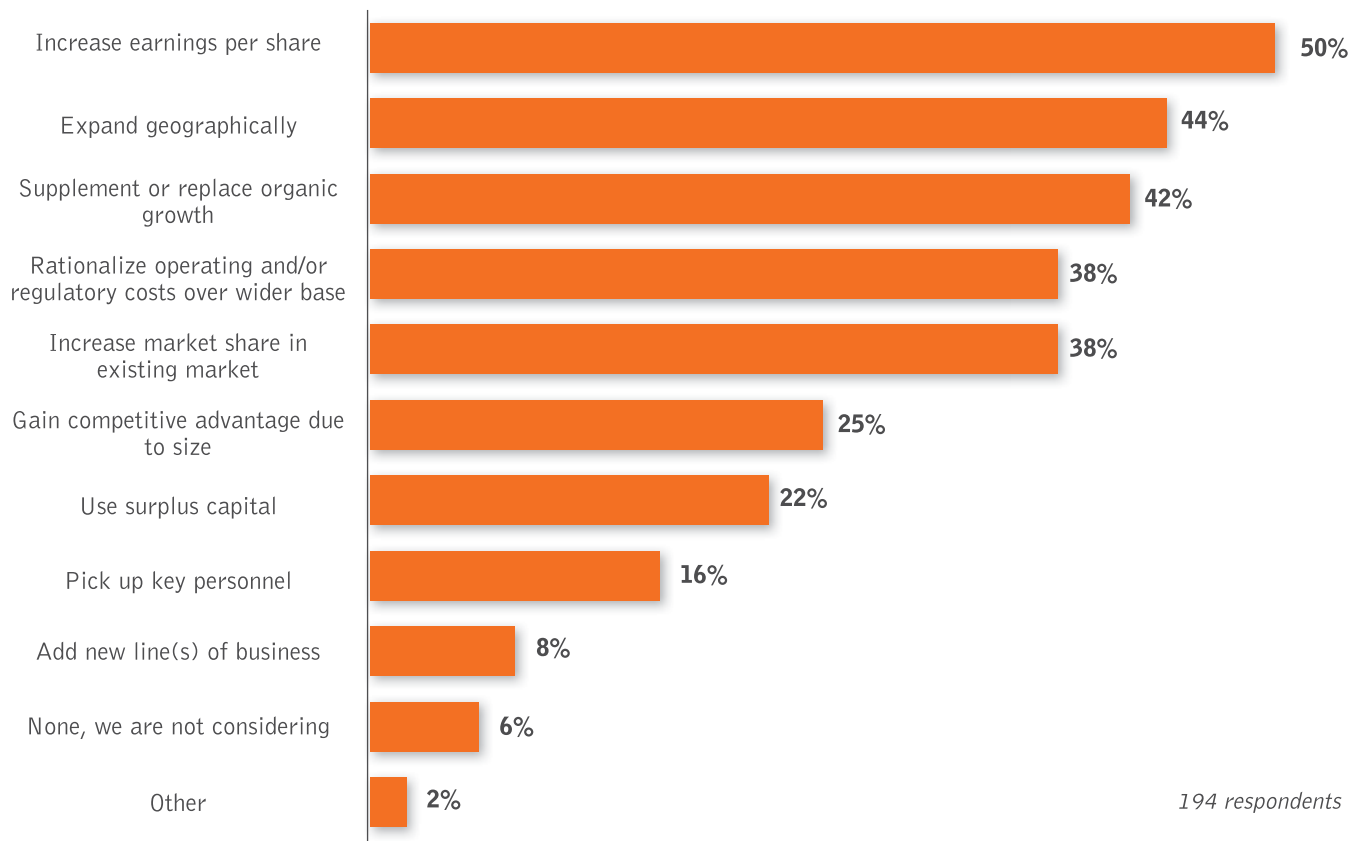
Bank Asset Size	Over \$5B	\$1.1B - \$5B	\$501M - \$1B	\$251M - \$500M	≥ \$250M
A bank	0%	0%	3%	10%	10%
Branches	8%	17%	0%	5%	5%
Non-depository line(s) of business	4%	0%	3%	0%	3%
A loan portfolio	17%	15%	0%	3%	10%
None of the above	75%	68%	94%	85%	77%

Bank Asset Size	Northeast	Southeast	Midwest	West
A bank	5%	3%	10%	0%
Branches	5%	8%	8%	9%
Non-depository line(s) of business	3%	3%	0%	2%
A loan portfolio	29%	0%	2%	9%
None of the above	61%	87%	82%	85%

18. Over the next 12 months, is your institution intending to make any of the following non-depository acquisitions outside of your core branch banking franchise?



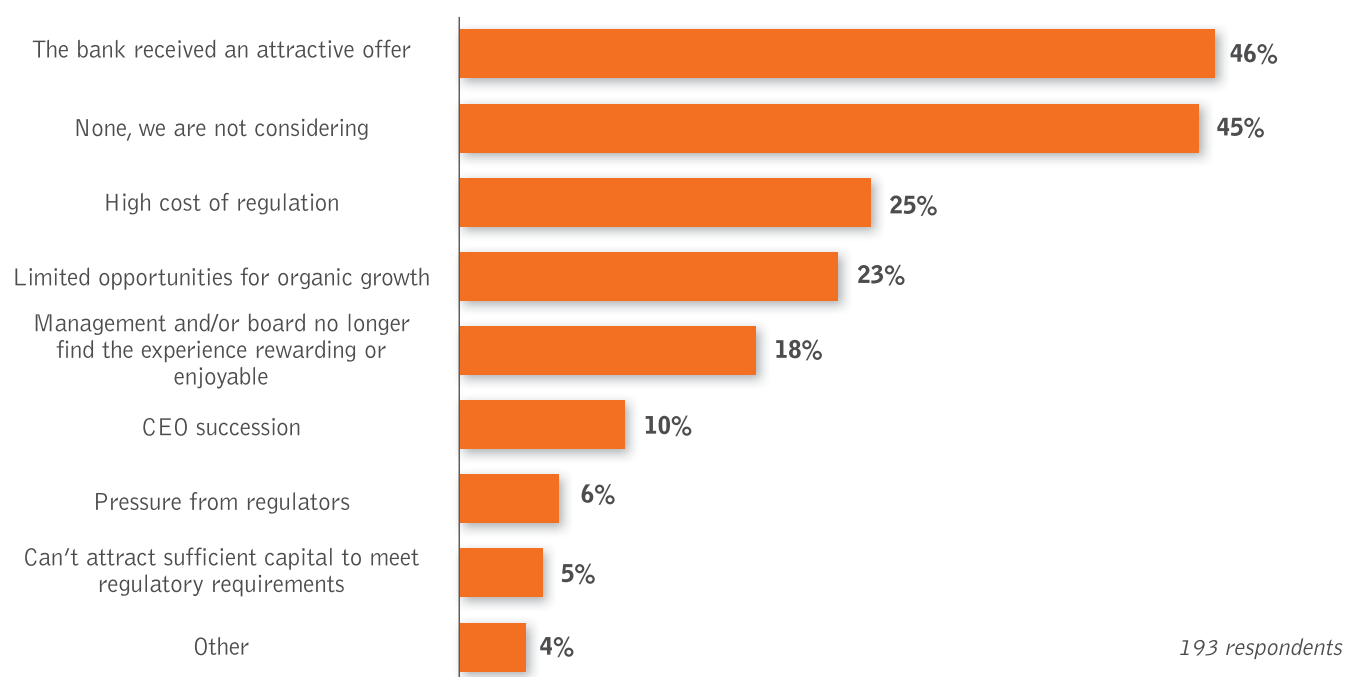
19. In considering buying another bank and/or participating in a merger of equals, what would you consider the top three reasons your institution might make an acquisition?



Bank Asset Size	Over \$5B	\$1.1B - \$5B	\$501M - \$1B	\$251M - \$500M	≥ \$250M
Increase earnings per share	61%	49%	46%	50%	49%
Expand geographically	57%	45%	44%	40%	42%
Supplement or replace organic growth	57%	36%	46%	43%	35%
Rationalize operating and/or regulatory costs over wider base	4%	38%	28%	40%	63%
Increase market share in existing market	57%	47%	33%	35%	26%
Gain competitive advantage due to size	4%	21%	31%	33%	28%
Use surplus capital	30%	26%	21%	23%	14%
Pick up key personnel	4%	13%	15%	18%	26%
Add new line(s) of business	9%	13%	5%	8%	5%
None, we are not considering	4%	0%	8%	8%	9%
Other	0%	4%	3%	0%	0%

20. What would you consider the three top reasons you might sell your institution?

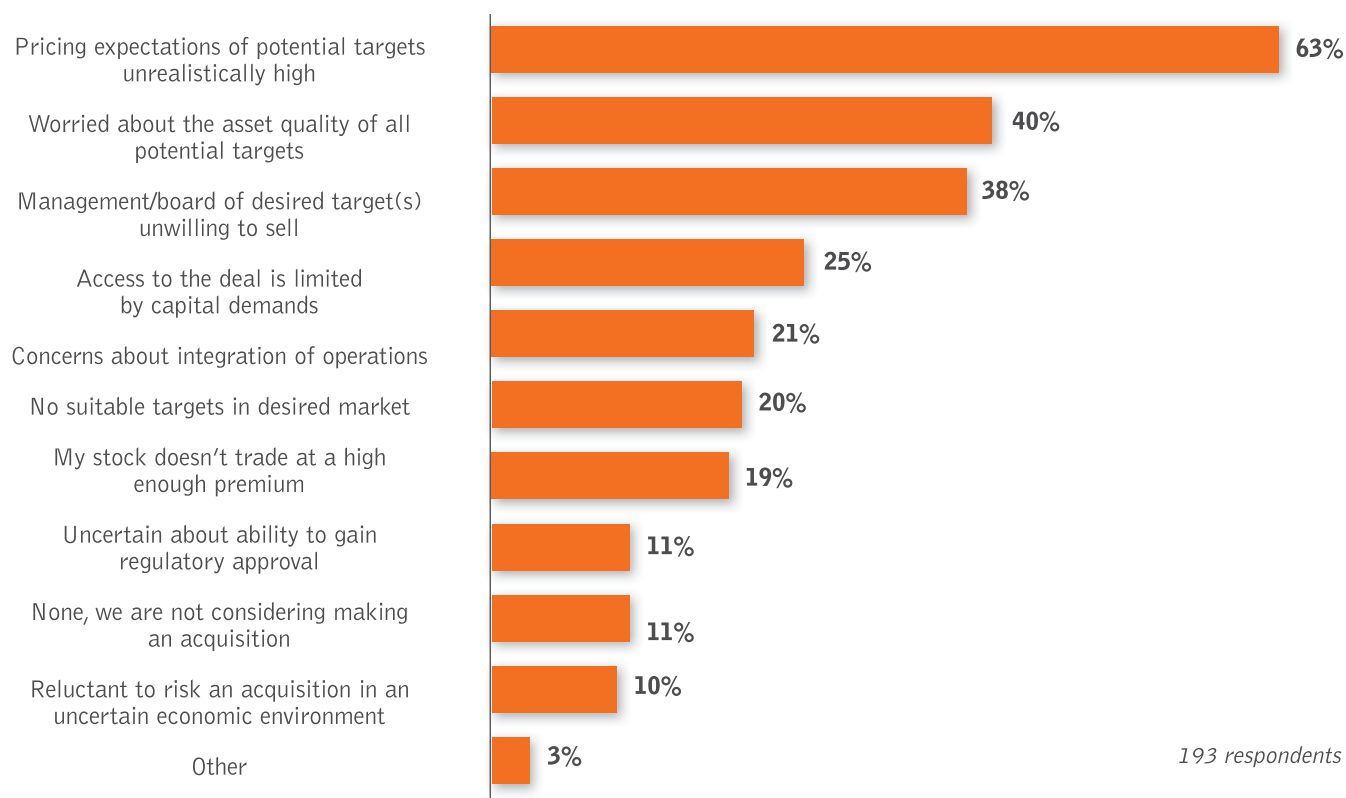
Respondents were asked to select three.



Bank Asset Size	Over \$5B	\$1.1B - \$5B	\$501M - \$1B	\$251M - \$500M	≥ \$250M
The bank received an attractive offer	43%	28%	44%	64%	51%
None, we are not considering	57%	66%	54%	20%	30%
High cost of regulation	17%	13%	15%	33%	44%
Limited opportunities for organic growth	17%	19%	13%	36%	28%
Management and/or board no longer find the experience rewarding or enjoyable	4%	6%	15%	33%	26%
CEO succession	22%	4%	10%	8%	14%
Pressure from regulators	0%	0%	0%	10%	16%
Can't attract sufficient capital to meet regulatory requirements	4%	0%	0%	13%	7%
Other	0%	6%	8%	0%	2%

21. In considering buying another bank and/or participating in a merger of equals, what do you consider the top three barriers to making an acquisition?

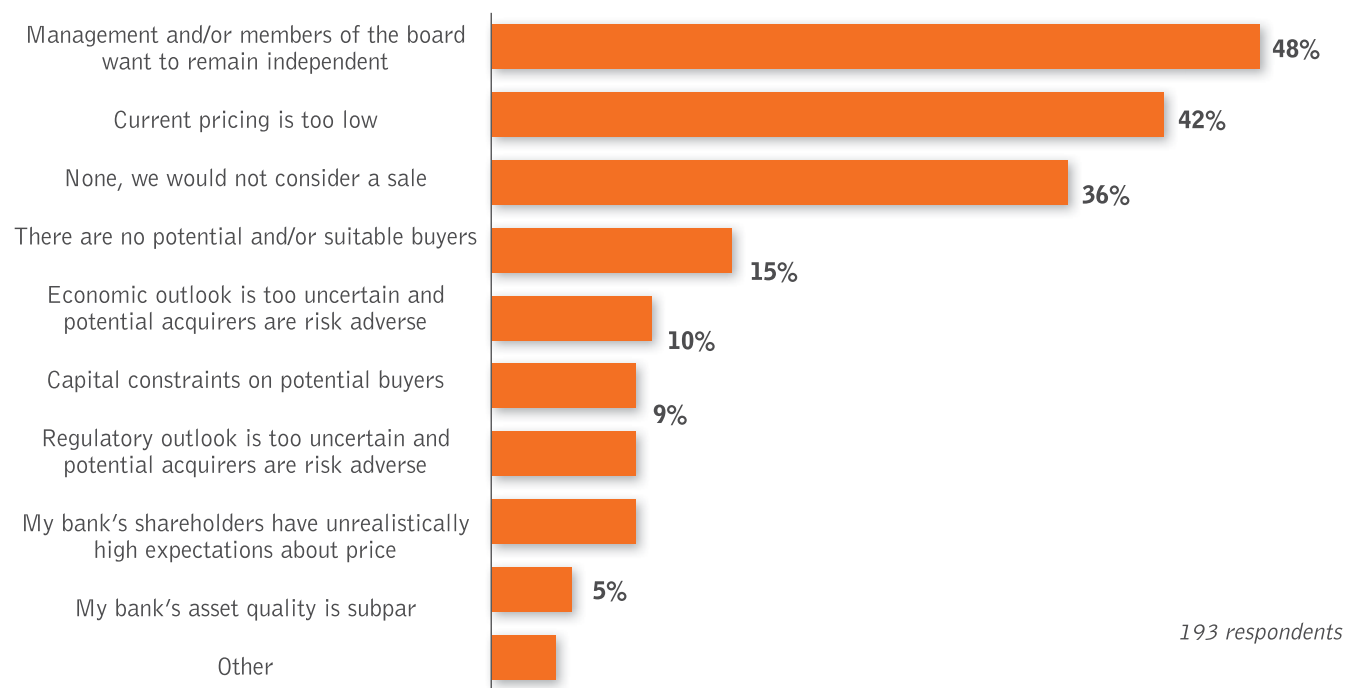
Respondents were asked to select three.



Bank Asset Size	Over \$5B	\$1.1B - \$5B	\$501M - \$1B	\$251M - \$500M	≥ \$250M
Pricing expectations of potential targets unrealistically high	79%	72%	69%	58%	42%
Worried about the asset quality of all potential targets	46%	43%	41%	40%	33%
Management/board of desired target(s) unwilling to sell	38%	46%	39%	43%	28%
Access to the deal is limited by capital demands	4%	9%	41%	28%	37%
Concerns about integration of operations	38%	26%	18%	10%	21%
No suitable targets in desired market	25%	22%	13%	15%	28%
My stock doesn't trade at a high enough premium	17%	20%	26%	18%	16%
Uncertain about ability to gain regulatory approval	21%	4%	3%	13%	21%
None, we are not considering making an acquisition	4%	4%	13%	18%	14%
Reluctant to risk an acquisition in an uncertain economic environment	4%	9%	10%	5%	21%
Other	4%	4%	3%	3%	0%

22. What are the top three barriers to selling your bank?

Respondents were asked to select three.

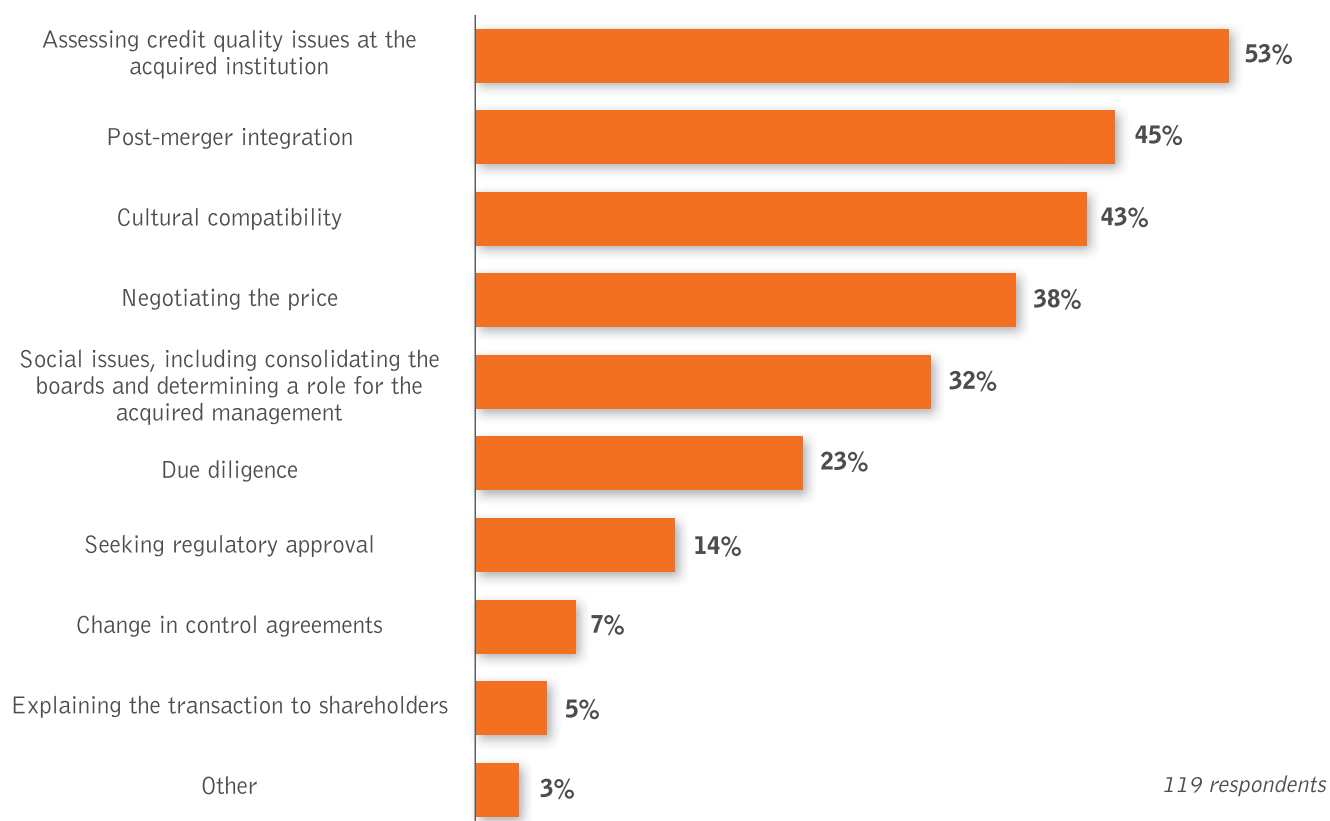


Bank Asset Size	Over \$5B	\$1.1B - \$5B	\$501M - \$1B	\$251M - \$500M	≥ \$250M
Management and/or members of the board want to remain independent	46%	37%	56%	46%	53%
Current pricing is too low	17%	20%	41%	64%	58%
None, we would not consider a sale	63%	54%	33%	23%	16%
There are no potential and/or suitable buyers	33%	13%	18%	5%	12%
Economic outlook is too uncertain and potential acquirers are risk adverse	8%	4%	15%	8%	14%
Capital constraints on potential buyers	8%	2%	13%	13%	9%
Regulatory outlook is too uncertain and potential acquirers are risk adverse	8%	2%	3%	13%	19%

Bank Asset Size	Over \$5B	\$1.1B - \$5B	\$501M - \$1B	\$251M - \$500M	≥ \$250M
My bank's shareholders have unrealistically high expectations about price	0%	2%	10%	13%	19%
My bank's asset quality is subpar	0%	0%	0%	8%	14%
Other	4%	7%	5%	3%	0%

23. If your bank has done an acquisition during your time of service on the board, what were the top three most difficult aspects of the most recent acquisition?

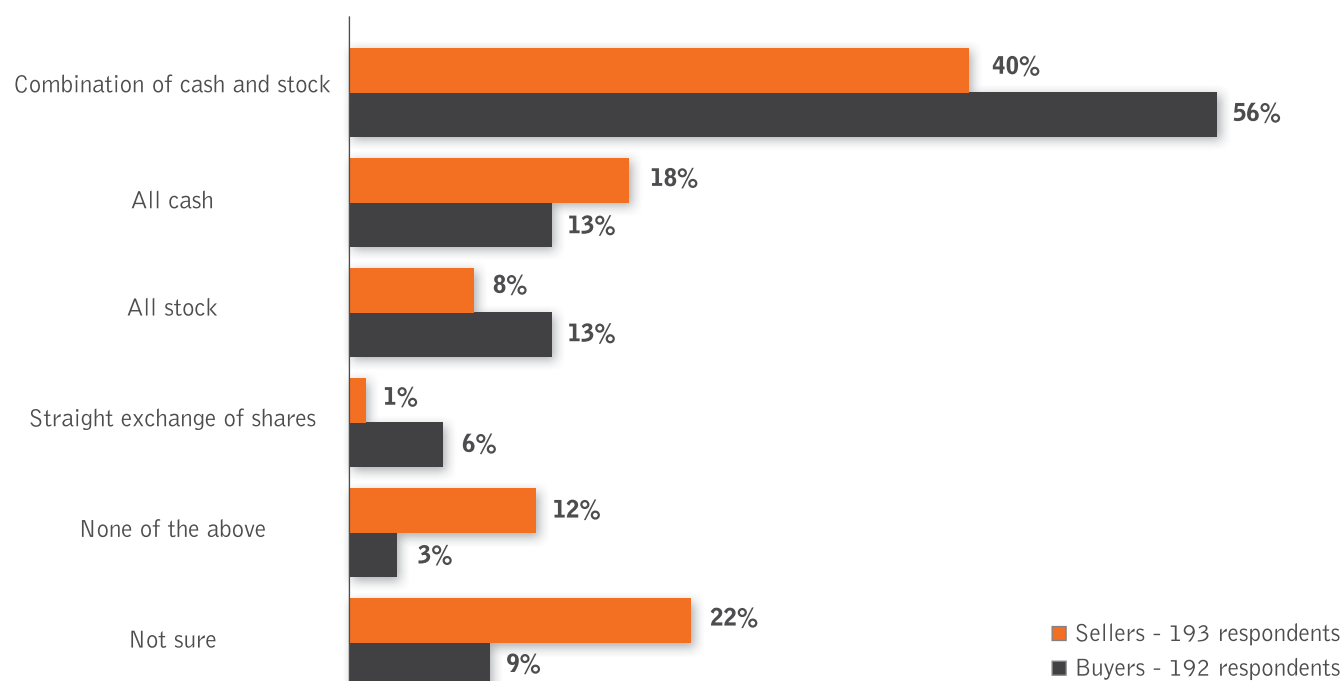
Respondents were asked to select three.



Bank Asset Size	Over \$5B	\$1.1B - \$5B	\$501M - \$1B	\$251M - \$500M	≥ \$250M
Assessing credit quality issues at the acquired institution	70%	54%	50%	57%	18%
Post-merger integration	57%	36%	54%	38%	45%
Cultural compatibility	39%	26%	50%	67%	55%

Bank Asset Size	Over \$5B	\$1.1B - \$5B	\$501M - \$1B	\$251M - \$500M	≥ \$250M
Negotiating the price	39%	41%	42%	38%	9%
Social issues, including consolidating the boards and determining a role for the acquired management	26%	33%	38%	33%	27%
Due diligence	9%	31%	33%	19%	9%
Seeking regulatory approval	30%	15%	8%	5%	0%
Change in control agreements	9%	10%	0%	5%	9%
Explaining the transaction to shareholders	0%	5%	4%	5%	18%
Other	0%	3%	0%	0%	9%

24. If your institution were to acquire or sell another bank, how would you want to structure the transaction?



BUYERS

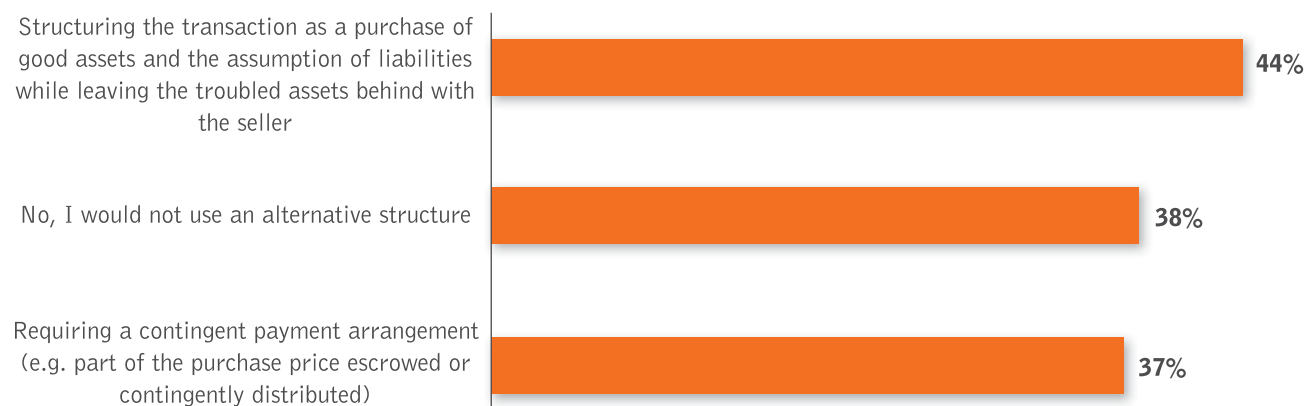
Bank Ownership Structure	Public	Private
Combination of cash and stock	72%	43%
All cash	1%	24%
All stock	13%	15%
Straight exchange of shares	5%	8%
None of the above	1%	1%
Not sure	9%	9%

SELLERS

Bank Ownership Structure	Public	Private
Combination of cash and stock	45%	37%
All cash	11%	26%
All stock	11%	7%
Straight exchange of shares	0%	0%
None of the above	11%	8%
Not sure	21%	22%

25. If your institution were to acquire another bank, would you contemplate using one of the following alternative structures to accommodate for asset quality or earnings uncertainty to get the transaction done?

Respondents were asked to select all that apply.



191 respondents