

# **APPENDIX 1**

**CAPITAL PURCHASE PROGRAM  
Transaction Report**

Updated on November 17, 2008; 4:30 PM

Date	Seller			Transaction Type	Description	Price Paid	Pricing Mechanism
	Name of Institution	City	State				
10/28/2008	Bank of America Corporation	Charlotte	NC	Purchase	Preferred Stock w/Warrants	\$15,000,000,000	Par
10/28/2008	Bank of New York Mellon Corporation	New York	NY	Purchase	Preferred Stock w/Warrants	\$3,000,000,000	Par
10/28/2008	Citigroup Inc.	New York	NY	Purchase	Preferred Stock w/Warrants	\$25,000,000,000	Par
10/28/2008	The Goldman Sachs Group, Inc.	New York	NY	Purchase	Preferred Stock w/Warrants	\$10,000,000,000	Par
10/28/2008	JPMorgan Chase & Co.	New York	NY	Purchase	Preferred Stock w/Warrants	\$25,000,000,000	Par
10/28/2008	Morgan Stanley	New York	NY	Purchase	Preferred Stock w/Warrants	\$10,000,000,000	Par
10/28/2008	State Street Corporation	Boston	MA	Purchase	Preferred Stock w/Warrants	\$2,000,000,000	Par
10/28/2008	Wells Fargo & Company	San Francisco	CA	Purchase	Preferred Stock w/Warrants	\$25,000,000,000	Par
1/ 10/28/2008	Merrill Lynch & Co., Inc.	New York	NY	Purchase	Preferred Stock w/Warrants	\$10,000,000,000	Par
11/14/2008	Bank of Commerce Holdings	Redding	CA	Purchase	Preferred Stock w/Warrants	\$17,000,000	Par
11/14/2008	1st FS Corporation	Hendersonville	NC	Purchase	Preferred Stock w/Warrants	\$16,369,000	Par
11/14/2008	UCBH Holdings, Inc.	San Francisco	CA	Purchase	Preferred Stock w/Warrants	\$298,737,000	Par
11/14/2008	Northern Trust Corporation	Chicago	IL	Purchase	Preferred Stock w/Warrants	\$1,576,000,000	Par
11/14/2008	SunTrust Banks, Inc.	Atlanta	GA	Purchase	Preferred Stock w/Warrants	\$3,500,000,000	Par
11/14/2008	Broadway Financial Corporation	Los Angeles	CA	Purchase	Preferred Stock w/Warrants	\$9,000,000	Par
11/14/2008	Washington Federal Inc.	Seattle	WA	Purchase	Preferred Stock w/Warrants	\$200,000,000	Par
11/14/2008	BB&T Corp.	Winston-Salem	NC	Purchase	Preferred Stock w/Warrants	\$3,133,640,000	Par
11/14/2008	Provident Bancshares Corp.	Baltimore	MD	Purchase	Preferred Stock w/Warrants	\$151,500,000	Par
11/14/2008	Umpqua Holdings Corp.	Portland	OR	Purchase	Preferred Stock w/Warrants	\$214,181,000	Par
11/14/2008	Comerica Inc.	Dallas	TX	Purchase	Preferred Stock w/Warrants	\$2,250,000,000	Par
11/14/2008	Regions Financial Corp.	Birmingham	AL	Purchase	Preferred Stock w/Warrants	\$3,500,000,000	Par
11/14/2008	Capital One Financial Corporation	McLean	VA	Purchase	Preferred Stock w/Warrants	\$3,555,199,000	Par
11/14/2008	First Horizon National Corporation	Memphis	TN	Purchase	Preferred Stock w/Warrants	\$866,540,000	Par
11/14/2008	Huntington Bancshares	Columbus	OH	Purchase	Preferred Stock w/Warrants	\$1,398,071,000	Par
11/14/2008	KeyCorp	Cleveland	OH	Purchase	Preferred Stock w/Warrants	\$2,500,000,000	Par
11/14/2008	Valley National Bancorp	Wayne	NJ	Purchase	Preferred Stock w/Warrants	\$300,000,000	Par
11/14/2008	Zions Bancorporation	Salt Lake City	UT	Purchase	Preferred Stock w/Warrants	\$1,400,000,000	Par
11/14/2008	Marshall & Ilsley Corporation	Milwaukee	WI	Purchase	Preferred Stock w/Warrants	\$1,715,000,000	Par
11/14/2008	U.S. Bancorp	Minneapolis	MN	Purchase	Preferred Stock w/Warrants	\$6,599,000,000	Par
11/14/2008	TCF Financial Corporation	Wayzata	MN	Purchase	Preferred Stock w/Warrants	\$361,172,000	Par

1/ Settlement deferred pending merger

**KEY**

Date	When payment is authorized
Seller	Name, City and State of Qualified Institution
Transaction Type	Purchase or Sale
Description	e.g. Preferred Stock w/Warrants, Preferred Stock w/Senior Debt
Price Paid	Total Purchase Amount
Pricing Mechanism	e.g. Priced at par, auction price

# **APPENDIX 2**

**TARP Capital Purchase Program**  
**(Non-Public QFIs, excluding S Corps and Mutual Organizations)**

**Preferred Securities**

**Summary of Preferred Terms**

**Issuer:** Qualifying Financial Institution (“QFI”) means any (i) top-tier Bank Holding Company (“BHC”), or top-tier Savings and Loan Holding Company (“SLHC”) that engages solely or predominately in activities permissible for financial holding companies under relevant law, that in either case is not publicly traded<sup>1</sup>, (ii) U.S. bank or U.S. savings association organized in a stock form that are neither publicly traded nor controlled by a BHC or SLHC, or (iii) U.S. bank or U.S. savings association that is not publicly traded and is controlled by a SLHC that is not publicly traded and does not engage solely or predominately in activities that are permitted for financial holding companies under relevant law, other than S Corporations and Mutual Depository Institutions. The term QFI shall not mean any institution that is controlled by a foreign bank or company. For purposes of this program, “U.S. bank”, “U.S. savings association”, “BHC” and “SLHC” means a bank, savings association, BHC or SLHC organized under the laws of the United States or any State of the United States, the District of Columbia, any territory or possession of the United States, Puerto Rico, Northern Mariana Islands, Guam, American Samoa, or the Virgin Islands. **The United States Department of the Treasury will determine the eligibility and allocation for QFIs after consultation with the appropriate Federal banking agency.**

“S Corporation” means any U.S. bank, U.S. savings association, BHC or SLHC organized as a corporation that has made a valid election to be taxed under Subchapter S of the U.S. Internal Revenue Code.

“Mutual Depository Institution” means any U.S. bank, U.S. savings association, BHC or SLHC organized in a mutual form.

**Initial Holder:** United States Department of the Treasury (the “UST”).

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<sup>1</sup> For the purposes of this term sheet “publicly traded” means a company (1) whose securities are traded on a national securities exchange and (2) required to file, under the federal securities laws, periodic reports such as the annual (Form 10-K) and quarterly (Form 10-Q) reports with either the Securities and Exchange Commission or its primary federal bank regulator. A company may be required to do so by virtue of having securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), which applies to all companies that are traded on an exchange or that have \$10 million in assets and 500 shareholders of record or Section 15(d) of the Exchange Act which requires companies that have filed a registration statement under the Securities Act of 1933, as amended, and have 300 or more securityholders of record of the registered class to file reports required under Section 13 of the Exchange Act, e.g., periodic reports.

**Size:** QFIs may sell preferred to the UST subject to the limits and terms described below.

Each QFI may issue an amount of Preferred equal to not less than 1% of its risk-weighted assets and not more than the lesser of (i) \$25 billion and (ii) 3% of its risk-weighted assets.

**Security:** Preferred, liquidation preference \$1,000 per share. (Depending upon the QFI's available authorized preferred shares, the UST may agree to purchase Preferred with a higher liquidation preference per share, in which case the UST may require the QFI to appoint a depository to hold the Preferred and issue depository receipts.)

**Ranking:** Senior to common stock and pari passu with existing preferred shares other than preferred shares which by their terms rank junior to any existing preferred shares.

**Regulatory Capital Status:** Tier 1.

**Term:** Perpetual life.

**Dividend:** The Preferred will pay cumulative dividends at a rate of 5% per annum until the fifth anniversary of the date of this investment and thereafter at a rate of 9% per annum. For Preferred issued by banks which are not subsidiaries of holding companies, the Preferred will pay non-cumulative dividends at a rate of 5% per annum until the fifth anniversary of the date of this investment and thereafter at a rate of 9% per annum. Dividends will be payable quarterly in arrears on February 15, May 15, August 15 and November 15 of each year.

**Redemption:** Preferred may not be redeemed for a period of three years from the date of this investment, except with the proceeds from a Qualified Equity Offering (as defined below), which results in aggregate gross proceeds to the QFI of not less than 25% of the issue price of the Preferred. After the third anniversary of the date of this investment, the Preferred may be redeemed, in whole or in part, at any time and from time to time, at the option of the QFI. All redemptions of the Preferred shall be at 100% of its issue price, plus (i) in the case of cumulative Preferred, any accrued and unpaid dividends and (ii) in the case of non-cumulative Preferred, accrued and unpaid dividends for the then current dividend period (regardless of whether any dividends are actually declared for such dividend period). All redemptions shall be subject to the approval of the QFI's primary federal bank regulator.

“Qualified Equity Offering” shall mean the sale by the QFI after the date of this investment of Tier 1 qualifying perpetual preferred stock or common stock for cash (other than any sales made pursuant to agreements

or arrangements entered into, or pursuant to financing plans which were publicly announced, on or prior to November 17, 2008).

**Restrictions  
on Dividends:**

Subject to certain exceptions, for as long as any Preferred is outstanding, no dividends may be declared or paid on junior preferred shares, preferred shares ranking pari passu with the Preferred, or common shares (other than in the case of pari passu preferred shares, dividends on a pro rata basis with the Preferred), nor may the QFI repurchase or redeem any junior preferred shares, preferred shares ranking pari passu with the Preferred or common shares, unless (i) in the case of cumulative Preferred all accrued and unpaid dividends for all past dividend periods on the Preferred are fully paid or (ii) in the case of non-cumulative Preferred the full dividend for the latest completed dividend period has been declared and paid in full.

**Common dividends:** The UST's consent shall be required for any increase in common dividends per share until the third anniversary of the date of this investment. After the third anniversary and prior to the tenth anniversary, the UST's consent shall be required for any increase in aggregate common dividends per share greater than 3% per annum; provided that no increase in common dividends may be made as a result of any dividend paid in common shares, any stock split or similar transaction. The restrictions in this paragraph no longer apply if the Preferred and Warrant Preferred are redeemed in whole or the UST has transferred all of the Preferred and Warrant Preferred to third parties.

**Repurchases:** The UST's consent shall be required for any repurchases of equity securities or trust preferred securities (other than (i) repurchases of the Preferred and (ii) repurchases of junior preferred shares or common shares in connection with any benefit plan in the ordinary course of business consistent with past practice) until the tenth anniversary of the date of this investment unless prior to such tenth anniversary the Preferred and the Warrant Preferred are redeemed in whole or the UST has transferred all of the Preferred and the Warrant Preferred to third parties. In addition, there shall be no share repurchases of junior preferred shares, preferred shares ranking pari passu with the Preferred, or common shares if prohibited as described above under "Restrictions on Dividends".

**Other Dividend and  
Repurchase  
Restrictions:**

From and after the tenth anniversary of the date of this investment, the QFI shall be prohibited from paying common dividends or repurchasing any equity securities or trust preferred securities until all equity securities held by the UST are redeemed in whole or the UST has transferred all of such equity securities to third parties.

**Voting rights:** The Preferred shall be non-voting, other than class voting rights on (i) any authorization or issuance of shares ranking senior to the Preferred, (ii) any amendment to the rights of Preferred, or (iii) any merger, exchange or similar transaction which would adversely affect the rights of the Preferred.

If dividends on the Preferred are not paid in full for six dividend periods, whether or not consecutive, the Preferred will have the right to elect 2 directors. The right to elect directors will end when full dividends have been paid for (i) all prior dividend periods in the case of cumulative Preferred or (ii) four consecutive dividend periods in the case of non-cumulative Preferred.

**Transferability:** The Preferred will not be subject to any contractual restrictions on transfer or the restrictions of any stockholders' agreement or similar arrangement that may be in effect among the QFI and its stockholders at the time of the Preferred investment or thereafter; provided that the UST and its transferees shall not effect any transfer of the Preferred which would require the QFI to become subject to the periodic reporting requirements of Section 13 or 15(d) of the Exchange Act. If the QFI otherwise becomes subject to such reporting requirements, the QFI will file a shelf registration statement covering the Preferred as promptly as practicable and, if necessary, shall take all action required to cause such shelf registration statement to be declared effective as soon as possible. In addition, the UST and its transferees shall have piggyback registration rights for the Preferred. Subject to the above, the QFI shall take all steps as may be reasonably requested to facilitate the transfer of the Preferred.

**Executive Compensation:** As a condition to the closing of this investment, the QFI and its senior executive officers covered by the EESA shall modify or terminate all benefit plans, arrangements and agreements (including golden parachute agreements) to the extent necessary to be in compliance with, and following the closing and for so long as UST holds any equity or debt securities of the QFI, the QFI shall agree to be bound by, the executive compensation and corporate governance requirements of Section 111 of the EESA and any guidance or regulations issued by the Secretary of the Treasury on or prior to the date of this investment to carry out the provisions of such subsection. As an additional condition to closing, the QFI and its senior executive officers covered by the EESA shall grant to the UST a waiver releasing the UST from any claims that the QFI and such senior executive officers may otherwise have as a result of the issuance of any regulations which modify the terms of benefits plans, arrangements and agreements to eliminate any provisions that would not be in compliance with the executive compensation and corporate governance requirements of Section 111 of the EESA and any guidance or regulations issued by the Secretary of the Treasury on or prior to the date of this investment to carry out the provisions of such subsection.



**Related Party  
Transactions:**

For as long as the UST holds any equity securities of the QFI, the QFI and its subsidiaries will not enter into transactions with related persons (within the meaning of Item 404 under the SEC's Regulation S-K) unless (i) such transactions are on terms no less favorable to the QFI and its subsidiaries than could be obtained from an unaffiliated third party, and (ii) have been approved by the audit committee or comparable body of independent directors of the QFI.

## Summary of Warrant Terms

**Warrant:** The UST will receive warrants to purchase, upon net settlement, a number of net shares of preferred stock of the QFI (the “Warrant Preferred”) having an aggregate liquidation preference equal to 5% of the Preferred amount on the date of investment. The initial exercise price for the warrants shall be \$0.01 per share or such greater amount as the charter may require as the par value per share of Warrant Preferred. The UST intends to immediately exercise the warrants.

**Term:** 10 years

**Exercisability:** Immediately exercisable, in whole or in part.

**Warrant Preferred:** The Warrant Preferred shall have the same rights, preferences, privileges, voting rights and other terms as the Preferred, except that (1) the Warrant Preferred will pay dividends at a rate of 9% per annum and (2) the Warrant Preferred may not be redeemed until all the Preferred has been redeemed.

**Transferability:** The warrants will not be subject to any contractual restrictions on transfer or the restrictions of any stockholders’ agreement or similar arrangement that may be in effect among the QFI and its stockholders at the time of this investment or thereafter; provided that the UST shall not effect any transfer of the warrants or underlying Warrant Preferred which would require the QFI to become subject to the periodic reporting requirements of Section 13 or 15(d) of the Exchange Act.

If the QFI otherwise becomes subject to the periodic reporting requirements of Section 13 or 15(d) of the Exchange Act, the QFI will file a shelf registration statement covering the warrants and the Warrant Preferred underlying the warrants as promptly as practicable and, if necessary, shall take all action required to cause such shelf registration statement to be declared effective as soon as possible. In addition, the UST and its transferees shall have piggyback registration rights for the warrants and the Warrant Preferred underlying the warrants. Subject to the above, the QFI shall take all steps as may be reasonably requested to facilitate the transfer of the warrants or the Warrant Preferred.