

(ECIP Mutual Institutions/Subchapter S Corporations  
Subordinated Debt)

**ANNEX A**

**FORM OF SUBORDINATED SECURITY**

**(FORM OF FACE OF SECURITY)**

THIS SUBORDINATED SECURITY WILL BE ISSUED AND MAY BE TRANSFERRED ONLY IN DENOMINATIONS OF A MINIMUM OF \$1,000 AND MULTIPLES OF \$1,000 IN EXCESS THEREOF. ANY ATTEMPTED TRANSFER OF SUCH SECURITIES IN A DENOMINATION OF LESS THAN \$1,000 OR IN A DENOMINATION OTHER THAN IN A MULTIPLE OF \$1,000 IN EXCESS THEREOF SHALL BE DEEMED TO BE VOID AND OF NO LEGAL EFFECT WHATSOEVER. ANY SUCH PURPORTED TRANSFEREE SHALL BE DEEMED NOT TO BE THE HOLDER OF SUCH SECURITIES FOR ANY PURPOSE, INCLUDING, BUT NOT LIMITED TO, THE RECEIPT OF PAYMENTS ON SUCH SECURITIES, AND SUCH PURPORTED TRANSFEREE SHALL BE DEEMED TO HAVE NO INTEREST WHATSOEVER IN SUCH SECURITIES.

THIS SECURITY IS SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN THE LETTER AGREEMENT BY AND BETWEEN THE ISSUER AND THE UNITED STATES DEPARTMENT OF THE TREASURY AND SECURITIES PURCHASE AGREEMENT – STANDARD TERMS (TOGETHER, THE “AGREEMENT”), EACH OF WHICH ARE INCORPORATED INTO THIS SUBORDINATED SECURITY.

THE TERMS UNDER WHICH THE ISSUER MAY PREPAY THIS SUBORDINATED SECURITY ARE SET FORTH IN THE AGREEMENT.

THE PAYMENT OF PRINCIPAL OF OR INTEREST ON THIS SUBORDINATED DEBT SECURITY MAY NOT BE ACCELERATED WITHOUT THE PRIOR APPROVAL OF THE APPROPRIATE FEDERAL BANKING AGENCY IF REQUIRED UNDER RULES OR REGULATIONS OF SUCH APPROPRIATE FEDERAL BANKING AGENCY, AND THE ISSUER MAY NOT REDEEM THIS SUBORDINATED DEBT SECURITY PRIOR TO MATURITY, REPURCHASE THIS SUBORDINATED DEBT SECURITY, OR EXERCISE A CALL OPTION IN CONNECTION WITH THIS SUBORDINATED DEBT SECURITY WITHOUT THE PRIOR APPROVAL OF THE APPROPRIATE FEDERAL BANKING AGENCY IF REQUIRED UNDER RULES OR REGULATIONS OF SUCH APPROPRIATE FEDERAL BANKING AGENCY.

THIS SECURITY MAY BE FULLY SUBORDINATED TO INTERESTS HELD BY THE U.S. GOVERNMENT IN THE EVENT THAT THE ISSUER ENTERS INTO A RECEIVERSHIP, INSOLVENCY, LIQUIDATION, OR SIMILAR PROCEEDING.

*[IF THE ISSUER IS A BANK HOLDING COMPANY, SAVINGS AND LOAN HOLDING COMPANY, NATIONAL BANK OR FEDERAL SAVINGS ASSOCIATION, INCLUDE: THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933*

(THE “*SECURITIES ACT*”), OR THE SECURITIES LAWS OF ANY STATE, OR (IF THE ISSUER IS A NATIONAL BANK OR FEDERAL SAVINGS ASSOCIATION) PART 16 OF THE REGULATIONS OF THE OFFICE OF THE COMPTROLLER OF THE CURRENCY (“PART 16”), AND MAY NOT BE TRANSFERRED, SOLD OR OTHERWISE DISPOSED OF EXCEPT WHILE A REGISTRATION STATEMENT RELATING THERETO IS IN EFFECT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS AND PART 16 (IF APPLICABLE) OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT OR SUCH LAWS OR SUCH REGULATIONS, AS APPLICABLE. EACH PURCHASER OF THE SECURITIES REPRESENTED BY THIS INSTRUMENT IS NOTIFIED THAT THE SELLER MAY BE RELYING ON THE EXEMPTION FROM SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER (IF THE ISSUER IS A NATIONAL BANK OR FEDERAL SAVINGS ASSOCIATION, AS INCORPORATED INTO PART 16). ANY TRANSFEREE OF THE SECURITIES REPRESENTED BY THIS INSTRUMENT BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT IS A “*QUALIFIED INSTITUTIONAL BUYER*” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), (2) AGREES THAT IT WILL NOT OFFER, SELL OR OTHERWISE TRANSFER THE SECURITIES REPRESENTED BY THIS INSTRUMENT EXCEPT (A) PURSUANT TO A REGISTRATION STATEMENT WHICH IS THEN EFFECTIVE UNDER THE SECURITIES ACT OR PART 16, AS APPLICABLE, (B) FOR SO LONG AS THE SECURITIES REPRESENTED BY THIS INSTRUMENT ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A “*QUALIFIED INSTITUTIONAL BUYER*” AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A (IF THE ISSUER IS A NATIONAL BANK OR FEDERAL SAVINGS ASSOCIATION, AS INCORPORATED INTO PART 16), (C) TO THE ISSUER OR (D) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND PART 16, AS APPLICABLE, AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THE SECURITIES REPRESENTED BY THIS INSTRUMENT ARE TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.]

[*IF THE ISSUER IS A FEDERAL SAVINGS ASSOCIATION, INCLUDE: WITHOUT LIMITING THE FOREGOING, AN INDENTURE MEETING THE REQUIREMENTS OF 12 C.F.R. 5.56(d) MUST BE IN PLACE BEFORE THIS SECURITY IS TRANSFERRED TO ANY PERSON WHO IS NOT AN “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT).*]

THIS INSTRUMENT IS ISSUED SUBJECT TO THE RESTRICTIONS ON TRANSFER AND OTHER PROVISIONS OF THE AGREEMENT, A COPY OF WHICH IS ON FILE WITH THE ISSUER. THE SECURITIES REPRESENTED BY THIS INSTRUMENT MAY NOT BE SOLD OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH SAID AGREEMENT. ANY SALE OR OTHER TRANSFER NOT IN COMPLIANCE WITH SAID AGREEMENT WILL BE VOID.

THIS SECURITY IS *NOT* A SAVINGS ACCOUNT OR DEPOSIT AND IT IS *NOT* INSURED OR GUARANTEED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENT AGENCY.

THIS SECURITY IS SUBORDINATED TO THE CLAIMS OF GENERAL AND SECURED CREDITORS, IS NOT SECURED AND IS SUBORDINATE AND JUNIOR IN ITS RIGHT OF PAYMENT TO THE OBLIGATIONS OF ALL CREDITORS, INCLUDING BOTH SECURED AND UNSECURED OR GENERAL CREDITORS, AND TO ALL “SENIOR INDEBTEDNESS” AS DEFINED IN THE AGREEMENT, EXCEPT THOSE SPECIFICALLY DESIGNATED AS RANKING ON A PARITY WITH, OR SUBORDINATED TO, THIS SUBORDINATED SECURITY.

*[IF THE ISSUER IS AN INSURED DEPOSITORY INSTITUTION, INCLUDE: THIS SECURITY IS ALSO SUBORDINATED TO CLAIMS OF DEPOSITORS AND IS INELIGIBLE AS COLLATERAL FOR A LOAN BY THE ISSUER.]*

*[IF THE ISSUER IS A FEDERAL SAVINGS ASSOCIATION, INCLUDE: THIS SECURITY IS ALSO SUBORDINATED ON LIQUIDATION, AS TO PRINCIPAL, INTEREST, AND PREMIUM, TO ALL CLAIMS AGAINST THE ISSUER THAT HAVE THE SAME PRIORITY AS SAVINGS ACCOUNTS OR A HIGHER PRIORITY.] THIS SECURITY IS NOT SECURED BY THE ISSUER’S ASSETS OR THE ASSETS OF ANY AFFILIATE OF THE ISSUER. AN AFFILIATE MEANS ANY PERSON OR COMPANY THAT CONTROLS, IS CONTROLLED BY, OR IS UNDER COMMON CONTROL WITH THE ISSUER. THIS SECURITY IS NOT ELIGIBLE COLLATERAL FOR A LOAN BY THE ISSUER.*

*[IF THE ISSUER IS AN INSURED DEPOSITORY INSTITUTION, INCLUDE: PURSUANT TO 12 U.S.C. 1828(b), THE ISSUER SHALL NOT PAY ANY DIVIDENDS ON ITS CAPITAL STOCK OR INTEREST ON ITS CAPITAL NOTES OR DEBENTURES (IF SUCH INTEREST IS REQUIRED TO BE PAID ONLY OUT OF NET PROFITS) OR DISTRIBUTE ANY OF ITS CAPITAL ASSETS WHILE IT REMAINS IN DEFAULT IN THE PAYMENT OF ANY ASSESSMENT DUE TO THE FEDERAL DEPOSIT INSURANCE CORPORATION.]*

*[IF THE ISSUER IS AN INSURED DEPOSITORY INSTITUTION, INCLUDE: PURSUANT TO 12 U.S.C. 1831o(h), THE ISSUER MAY NOT MAKE ANY PAYMENT OF PRINCIPAL OR INTEREST ON THIS OBLIGATION BEGINNING 60 DAYS AFTER BECOMING CRITICALLY UNDERCAPITALIZED, UNLESS THE FEDERAL DEPOSIT INSURANCE CORPORATION HAS MADE AN EXCEPTION PURSUANT TO 12 U.S.C. 1831o(h)(2)(B).]*

PURSUANT TO SECTION 11 OF THE REGULATORY CAPITAL RULES SET FORTH IN 12 C.F.R. PART 3 (WITH RESPECT TO NATIONAL BANKS AND FEDERAL SAVINGS ASSOCIATIONS), 12 C.F.R. PART 217 (WITH RESPECT TO BANK HOLDING COMPANIES, SAVINGS AND LOAN HOLDING COMPANIES AND STATE MEMBER BANKS) AND 12 C.F.R. PART 324 (WITH RESPECT TO STATE NONMEMBER BANKS OR STATE SAVINGS ASSOCIATIONS), THE ISSUER WILL BE SUBJECT TO LIMITATIONS ON DISTRIBUTIONS (INCLUDING PAYMENTS OF INTEREST ON THIS

SUBORDINATED SECURITY) IF THE ISSUER DOES NOT SATISFY ITS CAPITAL BUFFER REQUIREMENT IN FULL.

*[IF THE ISSUER IS AN INSURED DEPOSITORY INSTITUTION, INCLUDE:* WITH RESPECT TO AN INSOLVENCY OF THE ISSUER, THE FEDERAL DEPOSIT INSURANCE CORPORATION, ACTING AS RECEIVER, HAS THE AUTHORITY TO TRANSFER THE ISSUER’S OBLIGATION UNDER THIS SUBORDINATED SECURITY AND TO SUPERSEDE OR VOID ANY DEFAULT, ACCELERATION, OR SUBORDINATION THAT MAY HAVE OCCURRED.]

*[IF THE ISSUER IS AN INSURED DEPOSITORY INSTITUTION, INCLUDE:* IF THE ISSUER IS “UNDERCAPITALIZED” AS DEFINED BY APPLICABLE LAW AND FAILS TO SATISFACTORILY IMPLEMENT A REQUIRED CAPITAL RESTORATION PLAN, THE ISSUER MAY BE SUBJECT TO ALL THE ADDITIONAL RESTRICTIONS AND REQUIREMENTS APPLICABLE TO A “SIGNIFICANTLY UNDERCAPITALIZED” INSTITUTION, AS DEFINED BY APPLICABLE LAW, INCLUDING BEING REQUIRED TO SELL SHARES IN THE ISSUER, BEING ACQUIRED BY A DEPOSITORY INSTITUTION HOLDING COMPANY, OR BEING MERGED OR CONSOLIDATED WITH ANOTHER DEPOSITORY INSTITUTION, AND SUCH AUTHORITY BY THE OCC SUPERSEDES AND VOIDS ANY DEFAULTS THAT MAY HAVE OCCURRED.]

*[IF THE ISSUER IS AN INSURED DEPOSITORY INSTITUTION, INCLUDE:* IF THE ISSUER IS “CRITICALLY UNDERCAPITALIZED,” AS DEFINED BY APPLICABLE LAW, THE ISSUER IS PROHIBITED FROM MAKING PRINCIPAL OR INTEREST PAYMENTS ON THIS SUBORDINATED SECURITY WITHOUT PRIOR REGULATORY APPROVAL.]

[NAME OF ISSUER]

ISSUANCE DATE: \_\_\_\_\_

\$ \_\_\_\_\_

SUBORDINATED SECURITY DUE 20[•]<sup>1</sup>  
(Adjustable Rate)

[Issuer], a [company or institution type] organized under the laws of [\_\_\_\_\_] and an Eligible Financial Institution (the “Issuer,” which term includes any permitted successor thereto), for value received, hereby promises to pay the United States Department of the Treasury or registered assigns, by wire transfer, the principal sum of \$ \_\_\_\_\_ ( \_\_\_\_\_ Dollars) on \_\_\_\_\_, 20[•] (the “Maturity Date”) (or any earlier redemption date or date of acceleration of the Maturity Date) and to pay, in accordance herewith, interest on the outstanding principal amount of this Subordinated Security Due 20[•] (this “Subordinated Security”).

This Subordinated Security is one of the Subordinated Securities referred to in the Agreement (as defined on the reverse hereof), by and between the Issuer and the United States Department of the Treasury. Capitalized terms used in this Subordinated Security are defined in the Agreement, unless otherwise expressly stated herein. The Subordinated Security is entitled to the benefits of the Agreement and is subject to all the agreements, terms and conditions contained therein, all of which are incorporated herein by reference. This Subordinated Security may be redeemed, in whole or in part, in accordance with the terms and conditions set forth herein.

Section 1. Definitions. As used herein with respect to this Subordinated Security:

(a) “Aggregate Baseline” means, the “Aggregate Baseline Qualified Lending” set forth in the Applicable Quarterly Supplemental Report relating to the Last Reset Date. Notwithstanding the foregoing, if the Applicable Quarterly Supplemental Report relating to the Last Reset Date is restated pursuant to Section 4.1(h)(ii) of the Securities Purchase Agreement, “Aggregate Baseline” shall mean the “Aggregate Baseline Qualified Lending” set forth on such restated Applicable Quarterly Supplemental Report.

(b) “Aggregate Increase in Qualified Lending” means the Aggregate Qualified Lending minus the Aggregate Baseline.

(c) “Aggregate Qualified Lending” means the “Aggregate Annual Qualified Lending” set forth in the Applicable Quarterly Supplemental Report relating to the Last Reset Date. Notwithstanding the foregoing, if the Applicable Quarterly Supplemental Report relating to the Last Reset Date is restated pursuant to Section 4.1(h)(ii) of the Securities Purchase

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<sup>1</sup> **Note to Form:** At the Issuer’s option, to be 15 or 30 years from the Original Issue Date. All Subordinated Securities issued by the Issuer to the United States Department of the Treasury as part of this transaction shall have the same maturity date.

Agreement, “Aggregate Qualified Lending” shall mean the “Aggregate Annual Qualified Lending” set forth on such restated Applicable Quarterly Supplemental Report.

(d) “Annual Reset Period” means the period from and including the First Reset Date, to, but excluding, the next following Reset Date, and thereafter each period from and including each Reset Date to, but excluding, the next following Reset Date; *provided* that the last Annual Reset Period will be the period from and including the Reset Date immediately preceding the Tenth Anniversary to, but excluding, the Last Reset Date. Each Reset Date “relates” to the Annual Reset Period commencing on such Reset Date, and vice versa (with the words “related” and “relating” having correlative meanings).

(e) “Applicable Interest Rate” has the meaning set forth in Section 2(a).

(f) “Applicable Investment Amount” means the Purchase Price, subject to adjustment pursuant to Section 2(a)(v).

(g) “Applicable Quarterly Supplemental Report” means, for the First Reset Date, the Quarterly Supplemental Report for the most recently completed calendar quarter for which the due date has occurred and, for each Reset Date thereafter, the Quarterly Supplemental Report for the most recently completed calendar quarter.

(h) “Average Annual Increase in Qualified Lending” means the “Average Annual Increase in Qualified Lending” set forth in the Applicable Quarterly Supplemental Report relating to the Last Reset Date, which is based on the Aggregate Increase in Qualified Lending over a nine-year period preceding the Last Reset Date. Notwithstanding the foregoing, if the Applicable Quarterly Supplemental Report relating to the Last Reset Date is restated pursuant to Section 4.1(h)(ii) of the Securities Purchase Agreement, “Average Annual Increase in Qualified Lending” shall mean the “Average Annual Increase in Qualified Lending” set forth on such restated Applicable Quarterly Supplemental Report.

(i) “Average Applicable Investment Amount” means the “Average Applicable Investment Amount” set forth in the Applicable Quarterly Supplemental Report relating to the Last Reset Date.

(j) “Baseline” means the “Baseline Qualified Lending” set forth on the Initial Supplemental Report, subject to adjustment pursuant to Section 2(a)(iv). Notwithstanding the foregoing, if the Initial Supplemental Report is restated pursuant to Section 4.1(h)(ii) of the Securities Purchase Agreement, “Baseline” shall mean the “Baseline Qualified Lending” set forth on such restated Initial Supplemental Report, subject to adjustment pursuant to Section 2(a)(iv).

(k) “Business Combination” means a merger, consolidation, statutory share exchange or similar transaction that requires the approval of the Issuer’s stockholders.

(l) “Business Day” means any day except Saturday, Sunday and any day on which banking institutions in the State of New York or the District of Columbia generally are authorized or required by law or other governmental action to close.

- (m) “Equity” has the meaning set forth in the Agreement.
- (n) “First Reset Date” means the Second Anniversary.
- (o) “Initial Supplemental Report” means the supplemental report delivered by the Issuer to Treasury prior to the Original Issue Date pursuant to the Agreement.
- (p) “Interest Payment Date” means March 15, June 15, September 15 and December 15 of each year.
- (q) “Interest Period” means the period from and including any Interest Payment Date to, but excluding, the next Interest Payment Date; *provided, however*, the initial Interest Period shall be the period from and including the Second Anniversary to, but excluding, the next succeeding Interest Payment Date. Interest Payment Dates and Interest Periods will not be adjusted for Business Days.
- (r) “Last Reset Date” means the Interest Payment Date immediately following the Tenth Anniversary, *provided* that if the Tenth Anniversary is an Interest Payment Date, then the Last Reset Date shall be the date of the Tenth Anniversary.
- (s) “Ninth Anniversary” means the date that is nine (9) years from the Original Issue Date.
- (t) “Original Issue Date” means the date on which the Subordinated Securities are first issued.
- (u) “Percentage Change in Qualified Lending” has the meaning set forth in Section 2(a)(ii).
- (v) “Person” means a legal person, including any individual, corporation, estate, partnership, joint venture, association, joint-stock company, limited liability company or trust.
- (w) “Purchase Price” means the purchase price for the Subordinated Securities set forth on Schedule A to the Letter Agreement.
- (x) “Qualified Lending” means, with respect to any particular Reset Date other than the Last Reset Date, the “Annual Qualified Lending” set forth in the Applicable Quarterly Supplemental Report with respect to such Reset Date. Notwithstanding the foregoing, if the Applicable Quarterly Supplemental Report is restated pursuant to Section 4.1(h)(ii) of the Securities Purchase Agreement, “Qualified Lending” shall mean the “Annual Qualified Lending” set forth on such restated Applicable Quarterly Supplemental Report.
- (y) “Quarterly Supplemental Report” means a quarterly supplemental report to be delivered by the Issuer to Treasury on or after the Original Issue Date pursuant to the Agreement.

(z) “Rate Reduction Disqualifying Event” means any breach, violation or default by the Issuer of or under (i) (A) Section 104A of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. § 4701 *et seq.*), (B) any regulations promulgated thereunder, including, without limitation, the interim final rule promulgated by Treasury setting forth restrictions on executive compensation, share buybacks and dividends applicable to participants in the Emergency Capital Investment Program, originally codified at 31 C.F.R. Part 35, or (C) any additional rules or regulations established in connection with the Emergency Capital Investment Program or (ii) any covenant, agreement or obligation of the Issuer set forth in the Agreement or this Subordinated Security, in each case, as determined by Treasury in its sole discretion. Notwithstanding the foregoing, a default in the payment of interest shall not give rise to a Rate Reduction Disqualifying Event.

(aa) “Rate Reduction Disqualifying Period” means the period from and including the Interest Payment Date immediately following the occurrence of a Rate Reduction Disqualifying Event (*provided* that if a Rate Reduction Disqualifying Event occurs on an Interest Payment Date, the Rate Reduction Disqualifying Period shall commence on such Interest Payment Date), to, but excluding, the Interest Payment Date immediately following the occurrence of a Rate Reduction Termination Event. Any failure by Treasury to provide notice of a Rate Reduction Disqualifying Event or defect in such notice or the transmission thereof shall not affect the occurrence of a Rate Reduction Disqualifying Event or commencement or length of a Rate Reduction Disqualifying Period.

(bb) “Rate Reduction Termination Event” means the determination by Treasury, in its sole discretion, that the Rate Reduction Disqualifying Event has terminated. For the avoidance of doubt, notwithstanding any actual or purported remediation or cure of the breach, violation or default giving rise to a Rate Reduction Disqualifying Event by the Issuer, a Rate Reduction Disqualifying Event shall be ongoing from and including the occurrence thereof unless and until Treasury, in its sole discretion, provides notice to the Issuer of the termination thereof.

(cc) “Regular Record Date” has the meaning set forth in Section 2(b)(i).

(dd) “Reset Date” means, as applicable, the (i) First Reset Date, (ii) (x) if the First Reset Date is not an Interest Payment Date, each Interest Payment Date immediately following each annual anniversary of the First Reset Date through the Interest Payment Date immediately following the Ninth Anniversary or (y) if the First Reset Date is an Interest Payment Date, each Interest Payment Date occurring on each annual anniversary of the First Reset Date through the Interest Payment Date occurring on the Ninth Anniversary, and (iii) the Last Reset Date. Reset Dates will not be adjusted for Business Days.

(ee) “Second Anniversary” means the date that is two (2) years from the Original Issue Date.

(ff) “Tenth Anniversary” means the date that is ten (10) years from the Original Issue Date.

(gg) “Treasury” means the United States Department of the Treasury.



Section 2. Interest.

(a) Rate.

(i) The “Applicable Interest Rate” shall be determined as follows:

(A) From the Original Issue Date to, but excluding, the First Reset Date, the interest rate on this Subordinated Security shall be zero percent (0%) per annum;

(B) From and including the First Reset Date, to, but excluding, the Last Reset Date, during each applicable Annual Reset Period, the interest rate on this Subordinated Security shall be the applicable rate, expressed as a percentage per annum, set forth in column “A” of the table in Section 2(a)(iii), in each case determined by reference to the Applicable Quarterly Supplemental Report submitted to Treasury for the Reset Date relating to such Annual Reset Period; *provided* that if the Issuer shall fail to timely submit a complete and accurate Applicable Quarterly Supplemental Report during any Annual Reset Period, the interest rate on this Subordinated Security for the next Annual Reset Period shall be 2.0%;

(C) From and including the Last Reset Date, to, but excluding, the Maturity Date, the interest rate on this Subordinated Security shall be the applicable rate, expressed as a percentage per annum, set forth in column “B” of the table in Section 2(a)(iii), determined by reference to the Applicable Quarterly Supplemental Report submitted to Treasury and relating to the Last Reset Date; *provided* that if the Issuer shall fail to timely submit a complete and accurate Applicable Quarterly Supplemental Report during the Annual Reset Period preceding the Last Reset Date, the interest rate on this Subordinated Security shall be 2.0% from and including the Last Reset Date; and

(D) Notwithstanding the foregoing, during any Rate Reduction Disqualifying Period, the Applicable Interest Rate shall be 2.0%.

(ii) The “Percentage Change in Qualified Lending” used to determine the Applicable Interest Rate for any Reset Date shall be the result of the following formulas, as applicable, expressed as a percentage:

(A) With respect to each Reset Date other than the Last Reset Date: (i)(x) the Qualified Lending set forth in the Applicable Quarterly Supplemental Report *minus* (y) the Baseline, *divided by* (ii) the Applicable Investment Amount, and *multiplied by* (iii) 100.

(B) With respect to the Last Reset Date: (i) the Average Annual Increase in Qualified Lending, *divided by* (ii) the Average Applicable Investment Amount, and *multiplied by* (iii) 100.

(iii) The following table shall be used for determining the Applicable Interest Rate:

<i>If the Percentage Change in Qualified Lending is:</i>	<i>Column “A” – rate in effect during Annual Reset Periods</i>	<i>Column “B” – rate in effect from and including the Last Reset Date</i>
Less than 200% of the Applicable Investment Amount (in the case of Section 2(a)(ii)(A)) or the Average Applicable Investment Amount (in the case of Section 2(a)(ii)(B))	2.0%	2.0%
More than or equal to 200%, but less than or equal to 400% of the Applicable Investment Amount (in the case of Section 2(a)(ii)(A)) or the Average Applicable Investment Amount (in the case of Section 2(a)(ii)(B))	1.25%	1.25%
More than 400% of the Applicable Investment Amount (in the case of Section 2(a)(ii)(A)) or the Average Applicable Investment Amount (in the case of Section 2(a)(ii)(B))	0.5%	0.5%

(iv) If the Issuer has consummated or consummates a Business Combination, any other merger or consolidation with or acquisition of another entity, since and including, the quarter ended on September 30, 2020, then, with respect to each such transaction, the Baseline shall be increased and, thereafter for each Annual Reset Period, the Baseline shall be the “Adjusted Baseline Qualified Lending” as calculated and set forth on the Applicable Quarterly Supplemental Report submitted to Treasury for the Reset Date relating to such Annual Reset Period. Such Adjusted Baseline Qualified Lending shall also factor into the determination of the Aggregate Baseline, as provided in the instructions for the Quarterly Supplemental Reports.

(v) If the Issuer has consummated or consummates a Business Combination, any other merger or consolidation with or acquisition of another entity that has also issued preferred stock or subordinated debt to Treasury through Treasury’s Emergency Capital Investment Program, the Applicable Investment Amount shall be adjusted to reflect the amount of the preferred stock or subordinated debt, as the case may be, issued by such entity to Treasury and, from and after any such Business Combination, or other merger, consolidation or acquisition, the Applicable Investment Amount shall be the “Adjusted Investment Amount” set forth on the Applicable Quarterly Supplemental Report submitted to Treasury for the Reset Date. Such adjustments shall also factor into the determination of the Average Applicable Investment Amount, as provided in the instructions for the Quarterly Supplemental Reports.

(b) Payment of Principal and Interest.

(i) The interest installment so payable, and punctually paid or duly provided for, on any Interest Payment Date occurring after the Second Anniversary will be paid in arrears to the Person in whose name this Subordinated Security is registered at the close of business on the regular record date for such installment of interest, which date shall be at the close of business on the first (1<sup>st</sup>) calendar day (whether or not a Business Day) of the month in which each Interest Payment Date occurs (each such date, the “Regular Record Date”). Any such installment of interest (other than Deferred Interest) not punctually paid or duly provided for shall forthwith cease to be payable to the Holders on such Regular Record Date and shall be paid to the Person in whose name this Subordinated Security is registered at the close of business on the date preceding the next Interest Payment Date, on the next Interest Payment Date, along with all other amounts then due and payable. In no event, however, shall interest exceed the maximum rate permitted by applicable law. The amount of interest payable hereon shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

(ii) If an Interest Payment Date or the Maturity Date falls on a day that is not a Business Day, the related payment of principal or interest will be paid on the next Business Day, with the same force and effect as if made on such date, and no interest on such payments will accrue from and after such Interest Payment Date or Maturity Date, as the case may be. Interest payable on the Maturity Date of the Subordinated Securities will be paid to the registered Holder to whom the principal is payable upon presentation and surrender for cancellation.

(iii) As provided in the Agreement, in certain circumstances an installment of interest may be deferred, and any such Deferred Interest shall be paid in accordance with the Agreement.

(iv) Pursuant to the capital conservation buffer requirements set forth in 12 C.F.R. §§ 3.11, 217.11 and 324.11, the Issuer may be prohibited from making a distribution under this Subordinated Security (including the payment of an installment of interest), or creating an obligation to make such a distribution, if such distribution would exceed the maximum payout amount set forth in 12 C.F.R. §§ 3.11, 217.11 or 324.11 (as applicable), unless the Issuer receives prior approval from the Appropriate Federal Banking Agency.

### Section 3. Method of Payment.

The principal of this Subordinated Security shall be payable upon surrender hereof and interest on this Subordinated Security shall be payable at the office or agency of the Issuer or an agent appointed for that purpose in any coin or currency of the United States of America that at the time of payment is legal tender for payment of public and private debts; *provided, however*, that payment of interest shall be made by the Issuer to the Holders of this Subordinated Security entitled thereto as shown on the Subordinated Securities Register by wire transfer of immediately available funds to any account with a banking institution located in the United States designated by such Holder no later than the related Regular Record Date.

Section 4. Subordination. The indebtedness evidenced by this Subordinated Security is, to the extent provided in the Agreement, subordinated to all Senior Indebtedness. Each Holder of this Subordinated Security, by accepting the same agrees to and shall be bound by such provisions of the Agreement. Each Holder hereof, by its, his or her acceptance hereof, hereby waives all notice of the acceptance of the subordination provisions contained herein and in the Agreement by each holder of Senior Indebtedness, whether now outstanding or hereafter incurred, and waives reliance by each such holder upon said provisions. The indebtedness evidenced by this Subordinated Security may be fully subordinated to interests held by the U.S. government in the event that the Issuer enters into a receivership, insolvency, liquidation, or similar proceeding.

The provisions of this Subordinated Security contained on the reverse side hereof shall for all purposes have the same effect as though fully set forth on the face hereof.

IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**[NAME OF ISSUER]**

By: \_\_\_\_\_

Name:

Title:

Attest:

By: \_\_\_\_\_

Name:

Title:

**(FORM OF REVERSE OF SECURITY)**

This Subordinated Security is one of the Subordinated Securities of the Issuer (herein sometimes referred to as the “Subordinated Securities”), issued or to be issued under and pursuant to a Letter Agreement and Securities Purchase Agreement – Standard Terms, dated as of \_\_\_\_\_, 202[•] (as amended, modified or restated from time to time, the “Agreement”), by and between the Issuer and the United States Department of the Treasury, as the initial Investor (the “Investor”), to which Agreement reference is hereby made for a description of the rights, limitations of rights, obligations, duties and immunities thereunder of the Issuer and the Holders of the Subordinated Securities. This Subordinated Security is a single series note with a face value in aggregate principal amount as set forth on the front of this Subordinated Security.

Defaults and Remedies

If an Event of Default as provided for under Section 5.1 of the Agreement occurs, then the principal of, interest accrued on, and other obligations payable under this Subordinated Security and the Transaction Documents, will immediately become due and payable. Notwithstanding anything to the contrary herein or in the Agreement, other than Section 5.2 of the Agreement, there is no right of acceleration for any default, including a default in the payment of principal or interest or the performance of any other covenant or obligation by the Issuer under this Subordinated Security or the Agreement. Whenever interest on this Subordinated Security has not been timely paid (whether due to deferral or otherwise) for one or more Interest Periods, the Issuer shall be subject to certain obligations and restrictions (including, without limitation, with respect to distributions on its securities) and the Holder of this Subordinated Security shall have certain rights (including, without limitation, the right to appoint board observers and directors under certain circumstances), all as set forth in the Agreement.

Amendment and Waiver

No amendment, modification, termination or waiver of any provision of the Agreement, the Subordinated Securities or any of the other Transaction Documents will be effective unless made in writing and signed by an officer or a duly authorized representative of each party to the Agreement, and, in the case of any amendment, modification, termination or waiver affecting the Subordinated Securities, the Majority Holders; provided that for so long as the Subordinated Securities are outstanding, the Investor may at any time and from time to time unilaterally amend the Agreement to the extent the Investor deems necessary, in its sole discretion, to comply with, or conform to, any changes after the Signing Date in any federal statutes, any rules and regulations promulgated thereunder and any other publications or interpretative releases of the Investor governing ECIP; provided further that no amendment, modification, termination or waiver with respect to the Subordinated Securities shall, unless in writing and signed by all Holders, do any of the following: (A) change the principal of or the rate of interest on any Subordinated Security; (B) extend any date fixed for any payment of principal or interest; (C) change the definition of the terms “Holders” or “Majority Holders” or the percentage of Holders which shall be required for Holders to take any action hereunder; or (D) consent to the assignment, delegation or other transfer by the Issuer of any of its rights and obligations under any Transaction Documents.

Any such consent or waiver by the Holder of this Subordinated Security shall be conclusive and binding upon such Holder and upon all future Holders of this Subordinated Security and of any Subordinated Security issued in exchange herefor or in place hereof (whether by registration of transfer or otherwise), irrespective of whether or not any notation of such consent or waiver is made upon this Subordinated Security.

No reference herein to the Agreement and no provision of this Subordinated Security or of the Agreement shall alter or impair the obligation of the Issuer, which is absolute and unconditional, to pay the principal of and interest on this Subordinated Security at the time and place and at the rate and in the money herein prescribed in accordance with the terms hereof.

#### Limitation on Dividends and Repurchases of Equity Securities

The Issuer's ability to declare and pay dividends and purchase or acquire Equity or any other equity securities of any kind of any Recipient Subsidiary or any Subordinated Security is limited by the terms of the Agreement. The Issuer's ability to redeem this Subordinated Security is limited by the terms of the Agreement.

#### Denominations; Transfer; Exchange

The Subordinated Securities are issuable only in registered form without coupons in authorized denominations of a minimum of \$1,000.00 and integral multiples of \$1,000.00 in excess thereof. As provided in the Agreement, this Subordinated Security is transferable by the Holder hereof on the Subordinated Securities Register maintained by the Issuer or its agent, upon surrender of this Subordinated Security for registration of transfer at the office or agency of the Issuer or its agent, accompanied by a written instrument or instruments of transfer in form satisfactory to the Issuer duly executed by the Holder hereof or its, his or her attorney duly authorized in writing, and thereupon one or more new Subordinated Securities of authorized denominations and for the same aggregate principal amount will be issued to the designated transferee or transferees. No service charge will be made for any such registration of transfer, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in relation thereto.

Prior to due presentment for registration of transfer of this Subordinated Security, the Issuer and any agent thereof may deem and treat the Holder hereof as the absolute owner hereof (whether or not this Subordinated Security shall be overdue and notwithstanding any notice of ownership or writing hereon made) for the purpose of receiving payment of or on account of the principal hereof and (subject to the Agreement) interest due hereon and for all other purposes, and none of the Issuer or any agent thereof shall be affected by any notice to the contrary.

#### No Recourse Against Others

No recourse shall be had for the payment of the principal of or interest on this Subordinated Security, or for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Agreement or any other Transaction Document, against any incorporator, Holder, employee, officer or director, as such, past, present or future, as such, of the Issuer or of any successor thereto, whether by virtue of any constitution, statute or rule of law, or by the

enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for the issuance hereof, expressly waived and released.

Governing Law

**THE AGREEMENT AND THIS SUBORDINATED SECURITY SHALL EACH BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE FEDERAL LAW OF THE UNITED STATES, IF AND TO THE EXTENT SUCH LAW IS APPLICABLE AND OTHERWISE IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE.**

Abbreviations

The following abbreviations, when used in the inscription on the face of this Subordinated Security, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN CON – as tenants in common

TEN ENT – as tenants in the entireties

JT TEN – as joint tenants with right of survival

UNIF GIFT MIN ACT – under Uniform Gift to Minors Act and not as tenants

Additional abbreviations may also be used though not in the above list.



**ASSIGNMENT**

FOR VALUE RECEIVED, the undersigned hereby assigns and transfers this Subordinated Security to:

\_\_\_\_\_  
(Assignee’s social security or tax identification number)

\_\_\_\_\_  
(Address and zip code of assignee)

and irrevocably appoints \_\_\_\_\_ agent to transfer this Subordinated Security on the books of the Issuer. The agent may substitute another to act for him or her.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

(Sign exactly as your name appears on the other side of this Subordinated Security)

Signature Guarantee: \_\_\_\_\_

[Signature must be guaranteed by an “eligible guarantor institution” that is a bank, stockbroker, savings and loan association or credit union meeting the requirements of the Registrar, which requirements include membership or participation in the Securities Transfer Agents Medallion Program (“STAMP”) or such other “signature guarantee program” as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.]