



**Conditional Approval #1219**  
**July 2019**

June 12, 2019

Donald R. Neel  
President and CEO  
United Fidelity Bank, F.S.B.  
18 NW Fourth Street  
Evansville, IN 47708

Re: Notice by United Fidelity Bank, F.S.B., Evansville, Indiana to include subordinated debt as tier 2 capital  
OCC Control No.: 2019-CE-Capital & Div-307480 Charter No.: 703676

Dear President Neel:

The Office of the Comptroller of the Currency (OCC) hereby conditionally approves the notice to include up to \$20 million as tier 2 capital by United Fidelity Bank, F.S.B., Evansville, Indiana, pursuant to 12 CFR 5.56. Under 12 CFR 5.56, a bank may not include such subordinated debt in tier 2 capital until the OCC has approved its notice to include the subordinated debt in tier 2 capital. This conditional approval is granted based on a thorough review of all information available, including the representations and commitments made in the notice, submitted on February 4, 2019, and by the bank's representatives.

**Condition**

This approval is subject to the following condition:

The pricing of the subordinated note must be consistent with the eligibility criteria for a tier 2 capital instrument. Specifically, the conversion of the subordinated note from a fixed rate instrument to a floating rate instrument in 2021 must not result in any increase in the credit spread paid by United Fidelity Bank, F.S.B.

This condition of approval is a condition "imposed in writing by a Federal banking agency in connection with any action on any application, notice or other request" within the meaning of 12 USC 1818. As such, this condition is enforceable under 12 USC 1818.

Donald R. Neel  
President and CEO  
United Fidelity Bank, F.S.B., Evansville, Indiana  
OCC Control No.: 2019-CE-Capital&Div-307480

### **Consummation Requirements**

Prior to issuance of the subordinated debt, United Fidelity Bank, F.S.B. must comply with any applicable securities offering disclosure requirements under 12 CFR 16.

Please provide written notice to the OCC Central District Office within 10 days following issuance of the subordinated debt that you have completed the issuance and complied with all requirements of 12 CFR 5.56. In this notification, please include the final pricing of the subordinated debt and an analysis that demonstrates satisfaction with the above condition. The issuance of subordinated debt should be completed within one year of the date of this letter.

This approval and the activities and communications by OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. Our approval is based on the bank's representations, submissions, and information available to the OCC as of this date. The OCC may modify, suspend or rescind this approval if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

All correspondence regarding this application should reference the control number.

Please direct questions or comments to Crystal Maddox at (202) 649-6260 or by e-mail at [crystal.maddox@occ.treas.gov](mailto:crystal.maddox@occ.treas.gov). You may also contact John O'Brien, Director for District Licensing at (312) 360-8867 or by e-mail at [John.OBrien@occ.treas.gov](mailto:John.OBrien@occ.treas.gov).

Sincerely,

/s/

John A. O'Brien  
Director for District Licensing