



Conditional Approval #1229
October 2019

September 13, 2019

Joseph P. Daly, Esq.
Luse Gorman, PC
5335 Wisconsin Avenue, N.W., Suite 780
Washington, DC 20015

Re: Business Combination by Time Federal Savings Bank, Medford, WI to merge with River Cities Bank, Wisconsin Rapids, WI and Operating Subsidiary Application by Time Federal Savings Bank to retain River Cities Bancshares, Inc.
OCC Control Nos.: 2019-CE-Combination-309756 and 2019-CE-Sub&Equities-310457
OCC Charter No. 703235

Dear Mr. Daly:

The Office of the Comptroller of the Currency (OCC) hereby conditionally approves your application to merge River Cities Bank, Wisconsin Rapids, WI into Time Federal Savings Bank, Medford, Wisconsin. In addition, the OCC hereby approves the retention of two operating subsidiaries. These approvals are granted based on a thorough review of all information available, including commitments and representations made in the application, merger agreement, and those of your representatives. The OCC reviewed the merger proposal under the criteria of the Bank Merger Act, 12 U.S.C. § 1828(c), 12 C.F.R. § 1467a(s) and its implementing regulation, 12 C.F.R. § 5.33(g)(3), and the retention of operating subsidiaries under 12 C.F.R. § 5.38(e) and deemed the proposals to be consistent with approval.

Merger

The OCC reviewed the proposed merger transaction under the criteria of the Bank Merger Act, 12 USC 1828(c), law and applicable OCC regulations and policies. Among other matters, we found that the proposed transaction would not have significant anticompetitive effects. We also considered the financial and managerial resources of the banks, their future prospects, their effectiveness in combating money laundering activities, the convenience and needs of the communities to be served and the risk of the transaction to the stability of the United States banking or financial system. Furthermore, OCC reviews records of compliance with the CRA, 12 USC 2903(a)(2). We considered these factors and found them consistent with approval. This approval is subject to the following condition:

Applicant shall: (i) give the Supervisory Office at least sixty days prior written notice of its intent to significantly deviate or change from its business plan¹ or operations and (ii) obtain the OCC's written determination of no objection before the Bank engages in any significant deviation or change from its business plan or operations.

This condition of this 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, the condition is enforceable under 12 U.S.C. § 1818.

The branch acquisitions are authorized under 12 USC 36(c).

Operating Subsidiaries

Time Federal Savings Bank formed Time Acquisition Corporation, a subsidiary, to facilitate the merger. Time Acquisition Corporation will merge with River Cities Bancshares, Inc., the parent holding company of River Cities Bank, with River Cities Bancshares, Inc. as the surviving entity. The OCC approves the retention of River Cities Bancshares, Inc. as a wholly owned operating subsidiary of Time Federal Savings Bank.

Based on representations made in the application and upon completion of the bank merger, Time Federal Savings Bank intends to hold River Cities Bancshares, Inc., as an inactive subsidiary, until the Federal Deposit Insurance Corporation approves the dissolution application.

The OCC also approves the retention of River Cities Investment, Inc., a wholly owned subsidiary that is engaged in holding municipal securities. Based on representations made in the application, Time Federal Savings Bank plans to dissolve this subsidiary as soon as possible after consummation of the merger.

The OCC concludes that the above subsidiaries engage in activities legally permissible for Federal Savings Associations and its operating subsidiaries.

Consummation Guidance

The district office must be advised in writing in advance of the desired effective date for the merger, so it may issue the necessary certification letter. The effective date must follow the applicable Department of Justice's injunction period and any other required regulatory approval.

¹ This condition is referring to Time Federal Savings Bank's three-year business plan filed in CATS on September 5, 2019 and accepted and approved the Supervisory Office on September 6, 2019.

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The OCC will issue a letter certifying consummation of the transaction when we receive documentation that all other regulatory approvals have been received and all other conditions that the OCC imposed have been met.

If the merger is not consummated within six months from the approval date, the approval shall automatically terminate, unless the OCC grants an extension of the time period.

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.

A separate letter is enclosed requesting the bank's feedback on how we handled the referenced applications. We appreciate your response so we may improve our service. Please include the OCC control numbers on any correspondence related to this filing. If you have any questions, contact Licensing Analyst Valarina Oliver-Dumont at valarina.dumont@occ.treas.gov or (312) 360-8886.

Sincerely,

signed

John A. O'Brien
Director for District Licensing