

Purchase, merger of an operating Bank in Ukraine

Purchase, merger of an operating Bank includes:

- Bank selection, bank balance analysis and reporting.
- Due diligence of assets (loan portfolio, investment portfolio, off-balance assets) and bank liabilities, preliminary estimation of its cost.
- Development of a financial acquisition scheme, legal support of property rights acquisition, development of a nominal capital increase technology or a technology of substitution of its shareholders.
- Support of documents circulation between shareholders and regulative authorities (Antimonopoly Committee and National Bank of Ukraine), related to bank re-registration on all its stages; preparation of required documents, translation and legalization of the documents according to the legislation of Ukraine.
- Development of the functional structure of the bank. Analysis of bank's internal effective regulatory documents with the purpose of identifying potential risks related to internal technologies of performing particular bank operations, preparing a report.
- Development of new instructions, regulations, directions on carrying out of particular kinds of bank operations taking into account the institutional bank structure; development of job descriptions and regulations on the structural bank subunits.

For preparing a bank acquisition, merger offer, the following criteria from the Purchaser are required (potential bank specifications):

- Minimum expected asset volume of the bank.
- Minimum expected bank capital.
- Bank's branch network and sales points, their minimum expected number.
- Should the bank have agreements for making international payment operations (Western Union, etc.).
- Should the bank be a membership in World Interbank Financial Communications Society compulsory (S.W.I.F.T., VISA, EUROPAY INTERNATIONAL ASSOCIATION, etc.).
- Other information on customer's request.

PROCEDURE

Selection and presentation of quantitative characteristics of potential Bank to be acquired.
The minimum number of banks is 5.

Bank review according to the following structure:

- Structure of the ownership
- Bank founders
- Financial indices
- Total assets
- Regulatory capital
- Loan portfolio
- Financial results
- Quantity of Bank branches and operating offices

Preliminary analysis of balance indicators of the banks chosen by the customer, for last 3 months of operating period. Preliminary cost estimation.

Due diligence of bank assets (credit portfolio, security portfolio, off-balance assets) and bank liabilities.

Development of financial scheme, legal support of property rights transfer, development of a nominal capital increase technology or technology of substitution of its shareholders (participators).

Receiving of preliminary conclusions in Antimonopoly Committee on the economic concentration of the capital in the Bank.

Receiving preliminary permission of the National Bank for acquisition by the bank of the status of a bank with foreign capital, the permission for qualifying shareholding of the Bank.

State registration of changes in regulatory documents by the National Bank. Receiving of registration for issuing shares from the Securities and Stock Market State Commission.