

DIVIDEND APPROVAL REQUEST

Mont. Code Ann. § 32-1-452 requires prior approval from the department to pay a dividend if the bank is rated lower than a 1 or a 2 using the uniform financial institutions rating system or if the dividend would reduce the tier 1 leverage capital ratio below 8%.

Bank Name:

Date:

Submitted By (Name and Title):

Tier 1 Leverage Capital ratio:

As of Date:

Most recent quarter end ratio (Call Report) is acceptable to use if you don't have a more current calculation.

Dividend Amount Requested:

Projected Tier 1 Leverage Capital ratio after dividend:

Most recent quarter end average total assets can be used as the denominator if you don't have a more updated figure.

Provide your calculation.

Numerator: Current Tier 1 Capital (with date) - Dividend = Approx. Tier 1 Capital after dividend

Denominator: Average Total Assets (use most recent quarter end if you don't have a more current figure.)

Briefly describe the cause of the decline in the Tier 1 Leverage Capital ratio. A couple of sentences is sufficient. Examples of items that may be affecting your balance sheet include:

- Loan growth
- PPP specific loan growth
- Core deposit growth
- Use of the PPPLF, FHLB borrowings, brokered deposits, etc.

Briefly describe what you anticipate for your capital ratio in the next year. For example, do you anticipate loans, deposits, or other funding sources to decline and help push your ratio back up? Do you have other plans to bring the ratio back above 8%?