

Financial Institutions

Primary Practice Contact John E. Freechack

The collective experience of Barack Ferrazzano's financial services attorneys encompasses the entire spectrum of a financial institution's lifecycle. From formation of an institution or holding company through capital raising and regulatory hurdles, through acquisitions and sales, we provide experienced and effective counsel. Our clients include financial institutions of all sizes and types: state and national banks, bank holding companies, money center banks, regional financial institutions and community banks and thrifts.

Barack Ferrazzano has represented over 250 financial institutions in recent years. We have one of the largest practice groups in the country devoted to servicing financial institutions, with many of our partners and associates devoting their full attention to the representation of financial institutions in corporate transactions, securities and regulatory matters.

Mergers and Acquisitions

SNL Securities rankings listed our firm as one of the top firms in the nation in number of announced bank and thrift merger and acquisition transactions during the past five years. For the last decade, our firm ranked #1 in the Midwest. In total, we have represented buyers and sellers of financial institutions in more than 200 mergers and acquisitions.

Debt and Equity Financings

Our lawyers participate regularly in debt and equity financings for financial institutions, including acting as issuer's and underwriter's counsel in public offerings of debt and equity securities, counsel for borrowers and lenders in financings secured by bank stock, and counsel for issuers and investors in private placements of preferred and common stock. Barack Ferrazzano has been involved in more than 50 public and private trust preferred offerings as either issuer's or underwriter's counsel.

Regulatory Counsel

In addition to the corporate and transactional aspects of our financial services law practice, we serve as regulatory counsel to a large number of financial

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institutions. This aspect of our practice is as diverse as the ever-increasing body of statutes and regulations with which financial institutions must comply. Our experience includes: providing advice with respect to legal and other issues arising out of regulatory examinations, enforcement and other troubled institution work, compliance matters such as issues arising out of Regulation Z, the Community Reinvestment Act, privacy laws and other statutes and regulations, and applications to regulatory agencies for permission to engage in activities, to offer new and innovative products and services and to consummate transactions for which prior regulatory approval is required.

De Novo Banks

Barack Ferrazzano has been one of the most active law firms in the Midwest and in several states across the country in representing *de novo* banks and their organizing groups on a broad range of topics at every stage of a bank's life cycle. Over the past fifteen years, we have assisted over 100 *de novo* banks with their formation, organizational structures and public and private capital raising activities. Because of our firm's extensive experience in the establishment of *de novo* banks, we are particularly well-suited to handle the unique issues faced by new banks in their first several years of operation, including regulatory and enforcement matters, market expansion, secondary stock offerings and formation of holding companies.

New Products and Services

Our regulatory attorneys are uniquely qualified to counsel financial institutions with respect to new products and services, including insurance, securities, advisory, real estate brokerage/development and payments systems. We routinely advise our clients as to the appropriate structure for these activities, as to any licensing or regulatory requirements and as to ongoing compliance matters. We review or draft necessary contracts, prepare policies and procedures and provide legal advice on the myriad of laws that apply to the specific client and the specific activity.

With respect to insurance agency activities, we maintain a national practice, representing some of the country's largest insurance agencies and banks, and we have attorneys conversant with applicable law in all 51 jurisdictions of the United States.

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Thriffs

Barack Ferrazzano maintains an active thrift practice, serving as counsel to a number of mutual and stock thrifts and representing several thrifts in their conversion from mutual to stock form. One of our partners, a former federal thrift regulator, represented the first Illinois thrift to receive FDIC approval to convert to a state savings bank charter, as well as the first federal thrift located in Illinois to convert to a national bank charter.

Executive Compensation and Employee Benefits

Several attorneys in Barack Ferrazzano's financial services practice also represent financial institutions with respect to executive compensation and employee benefits issues, including plans funded by BOLI. They are well versed in the unique executive compensation issues involved in a highly regulated and rapidly consolidating industry.

Payment Processing Products and Software

Barack Ferrazzano's attorneys maintain an active practice providing contractual and regulatory advice to banks, thrifts and other financial institutions across the nation with respect to account, item and EFT processing and other operational software products. We are familiar with the major providers of processing services, and use our extensive expertise in the area to ensure that our clients achieve the solutions sought to ensure optimal operational capability.

Our Team

The attorneys in our financial services practice are dedicated to staying abreast of developments impacting the industry and our clients. Several have actively participated in drafting financial services legislation and a number are former bank and thrift regulators. Others have engineered a number of transactions and products involving issues of first impression. We regularly alert financial services clients to significant legal and regulatory developments through written executive briefings and personal briefing sessions, and frequently participate in strategic planning meetings with boards of directors and members of senior management.

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The members of Barack Ferrazzano's financial services practice have experience interacting with regulatory agencies, extensive knowledge of the complex body of laws and regulations impacting financial institutions and a broad understanding of the practical business aspects of the financial services industry.

Two of our financial services lawyers are currently adjunct professors of banking law at the Northwestern University School of Law. A number of others have taught banking law at Wake Forest, University of Iowa, Chicago-Kent and Elon. Our attorneys have also conducted examiner-training programs for state and federal regulatory agencies, served in leadership roles on the Financial Institutions Committees of the American and Chicago Bar Associations, and served on the Bank Counsel Section of the Illinois Bankers Association. One of our attorneys recently completed her four-year term as chair of the American Bar Association's 1,500-member Banking Law Committee and was then appointed to serve on the prestigious Council to the Business Law Section of the ABA. Barack Ferrazzano attorneys are frequent speakers and authors on industry topics, and many regularly serve as instructors at educational programs sponsored by industry trade associations. Our attorneys have authored the definitive text on insurance activities of banks and have served as editors of the two volume handbook for Illinois bankers and bank attorneys.

Our financial services clients also have the luxury of Barack Ferrazzano's ability to staff based on style. Because our talent runs so deep, we tailor our approach to the needs of general counsel and banking executives alike, and, as a result, we offer exceptional levels of personalized attention and continuity. Additionally, because of the comprehensive nature of our financial services work, complemented by our firm's streamlined structure, we can seamlessly tap the talents of attorneys in other practice areas to best serve client needs. Attorneys in our corporate and securities area, as well as in bankruptcy, intellectual property, real estate, taxation and employee benefits, maintain extensive experience in matters specific to financial institutions, and are frequently called upon to lend input on specialized concerns of relevance to clients.

Representative Matters

- Administrative Enforcement Proceedings
Represents financial services industry professionals in disciplinary matters and administrative enforcement proceedings
- Capital Raising Transactions
Represented many financial institutions with respect to private placements of common stock, subordinated debentures and convertible subordinated debentures

- **Corporate Bank Regulatory Applications and Filings**
Prepare filings for submission to banking regulators including applications for branch establishment, acquisition and closure, subsidiary formations and charter conversions
- **Debt and Equity Financings**
Represented numerous financial institutions in private offerings of debt securities to enhance current capital positions. Successfully structured acquisitions of troubled banks through use of preferred and convertible instruments, including buyer price protections
- **First Busey Corporation and Main Street Trust, Inc. Merger of Equals**
Represented Main Street in connection with the merger of equals involving First Busey and Main Street resulting in a financial institution with assets of \$4.1 billion.
- **Formation of De Novo Banks**
Counsel to over 100 state and national de novo banks and bank holding companies across the country. The breadth of our practice has yielded a unique ability among our lawyers to gain familiarity with the laws and bank regulatory agencies of multiple jurisdictions throughout the United States. Established first Illinois state bank organized as a limited liability company.
- **Merger of Equals Between ISB Financial Corporation and MidWestOne Financial Group, Inc.**
Represented ISB Financial Corporation in connection with the merger of equals involving ISB Financial and MidWestOne Financial Group, Inc. resulting in a financial institution with assets of \$1.5 billion
- **Mergers and Acquisitions**
Lead counsel on acquisitions and sales of financial institutions totaling more than \$1.5 billion in consideration. Counsel to successful buyers of failed banks, and ongoing representation of potential buyers in the FDIC bidding process.
- **Northwestern Suburban Bancorp, Inc. sale to Midwest Banc Holdings, Inc.**
Represented Northwest Suburban Bancorp, Inc. with respect to its sale for \$140 million to Midwest Banc Holdings, Inc.
- **Prairie Financial Corporation acquisition by Integra Bank Corp.**
Represented Prairie Financial Corporation in connection with its \$122 million acquisition by Integra Bank Corp.
- **Private Investment Funds**
Represented multiple sponsors in their formation of and capital raising for private investment funds, investment advisory, regulatory and corporate matters for such funds, including, hedge funds, managed futures funds, commodity pools and private equity funds

- Regulatory Compliance
Advised numerous banks regarding federal and state compliance matters involving lending, deposits and operations
- Regulatory Examinations and Enforcement Actions
Assisted numerous clients regarding regulatory examination issues and negotiated more than 100 enforcement actions. Represented many troubled banks regarding insolvency and potential receivership issues
- Securities Regulation and Compliance for Publicly-Traded Bank Holding Companies
Represent multiple publicly-traded bank holding companies
- St. Joseph Capital Corp. acquisition by Old National Bancorp
Represented St. Joseph Capital Corp. with respect to \$77 million sale to Old National Bancorp
- Treasury Management Products
Prepare agreements for treasury management products including remote deposit capture, ACH origination and internet banking
- Treasury's Capital Purchase Program
Represented a number of financial institutions with respect to their application and receipt of funds under Treasury's Capital Purchase Program