

Capital Surplus Reduction

Dividend

**REQUEST FOR APPROVAL FOR  
REDUCTION IN CAPITAL SURPLUS OR  
DIVIDEND**

**Georgia Department of Banking and Finance  
Suite 200, 2990 Brandywine Road  
Atlanta, Georgia 30341-5565**

(Name and Location of Bank)

At a meeting of the Directors of the above-named bank, held on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, the Cashier and/or Secretary presented the following statement showing the earnings and expenses of the bank and other necessary deductions for the \_\_\_\_\_ month period ending \_\_\_\_\_, 20\_\_\_\_. Round to nearest \$1,000.

1. Net Income (year to date)	_____	5. Equity Capital Accounts at Beg. of Period*	_____
2. Net Income (prior year)	_____	6. Equity Capital Accounts at End of Period*	_____
3. Cash Dividends (year to date)	_____	7. Net Change in Equity Capital Accounts	_____
4. Retained Earnings (year to date)	_____	8. Proposed Reductions/Dividends for remainder of year	_____

The most recent quarter-end Tier 1 Leverage Capital Ratio was \_\_\_\_\_%. Estimated Retained Earnings after this reduction payment would be \$\_\_\_\_\_. The estimated Tier 1 Leverage Capital Ratio and Tier 1 Common Equity Ratio would be \_\_\_\_\_% and \_\_\_\_\_%, respectively after the reduction payment. The proposed payment represents \_\_\_\_\_% of prior year's Net Income.

Total Loan Classifications on the bank's internal watch list, dated (should be most current date) \_\_\_\_\_ were as follows:  
Substandard \$ \_\_\_\_\_ Doubtful \$ \_\_\_\_\_ Loss \$ \_\_\_\_\_: Total Classifications \$ \_\_\_\_\_.

(Ratios: Classified Loans to Total Loans \_\_\_\_\_%. Adversely Classified Items Coverage Ratio \_\_\_\_\_%.)

Purpose of the Surplus Reduction/Dividend \_\_\_\_\_

Will the capital buffer be maintained after the reduction in surplus? ( ) Yes ( ) No Please attach a copy of the computation.

Will the reduction cause any apparent violations related to the bank's Legal Lending Limit, Fixed Assets, or Investments? ( ) Yes ( ) No If yes, please attach an explanation.

Is this financial institution a Subchapter S-Corporation? ( ) Yes ( ) No If yes, please attach a copy of the computation of the income taxes which the bank would have had to pay as a C-Corporation.

On motion made and seconded, it was ordered that a dividend of \$ \_\_\_\_\_ per share for a total of \$ \_\_\_\_\_ be paid on \_\_\_\_\_, 20\_\_\_\_, to stockholders of record as of \_\_\_\_\_, 20\_\_\_\_.

For Departmental Use Only	
<input type="checkbox"/> APPROVED	<input type="checkbox"/> DISAPPROVED
By _____	
Department of Banking and Finance	
Date _____	

\_\_\_\_\_  
Certified by President  
or Secretary

*\*(These accounts include: common stock, preferred stock, contributed surplus, additional paid-in-capital, retained earnings, other comprehensive earnings, and treasury stock)*

