

INTERAGENCY BANK MERGER ACT APPLICATION

Check all that apply:

Type of Filing	Form of Transaction	Filed Pursuant To
Affiliate/Corporate Reorganization	Merger	<input checked="" type="checkbox"/> 12 U.S.C. 1828(c)
Combination with Interim Depository Institution	Consolidation	12 U.S.C. 215, 215a-c
<input checked="" type="checkbox"/> Nonaffiliate Combination	Purchase and Assumption	12 U.S.C. 1815(a)
Other _____	<input checked="" type="checkbox"/> Branch Purchase and Assumption	
	Other _____	Other _____

Applicant Depository Institution

Town Bank FDIC Certificate #34717
Name Charter/ Docket Number

850 West North Shore Drive
Street

Hartland WI 53029
City State Zip Code

Target Institution

PyraMax Bank, FSB FDIC Certificate #29120
Name Charter/Docket Number

7001 West Edgerton Avenue
Street

Greenfield WI 53220
City State Zip Code

Resultant Institution (if different than Applicant)

Not Applicable

Contact Person

Lorraine Buerger SVP & Asst. Gen. Counsel/ Wintrust Financial Corporation
Name Title/Employer

9700 W. Higgins Road, Rosemont IL 60018
City State Zip Code

847-939-9079 lbuerger@wintrust.com
Telephone Number Fax Number E-mail Address

INTERAGENCY BANK MERGER ACT APPLICATION

- 1. Describe the transaction's purpose, structure, significant terms, conditions, and termination dates of related contracts or agreements, and financing arrangements, including any plan to raise additional equity or incur debt.**

Town Bank (the "Applicant" or "Town"), a wholly-owned subsidiary of Wintrust Financial Corporation ("WTFC"), is proposing to purchase a branch and certain deposit liabilities associated with that branch from PyraMax Bank, FSB (the "Seller" or "PyraMax").

For the avoidance of doubt, please note this transaction shall not include purchase of the Seller's holding company or bank charter, or any loans. The Applicant shall not purchase or acquire any equity interest in the Seller or its holding company.

The purpose of this application is to seek approval for the Applicant's purchase of the branch and assumption of the specified deposit liabilities. The resulting bank shall be the Applicant, with no changes to the Applicant's structure, ownership or management.

Representatives from the senior management of both WTFC and Town have conducted thorough due diligence regarding the branch to be purchased and those certain deposit liabilities to be assumed from PyraMax.

Town will remain well-capitalized after the consummation of the transaction. WTFC has sufficient cash resources available to provide additional capital to Town if required, and neither WTFC, nor Town will incur any additional debt as a result of the proposed transaction. Regulatory approval is requested as soon as possible, as the Company hopes to complete the proposed purchase as soon as practicable after receiving regulatory approval.

- 2. Indicate any other filings related to this transaction with other state and federal regulators.**

Per direction from the Wisconsin Department of Financial Institutions (the "WIDFI"), Town is also filing a branch application with the WIDFI.

- 3. Discuss whether and how the resultant institution's business strategy and operations will remain the same or change from that of the applicant. Identify new business lines. Provide a copy of the business plan, if available. Discuss the plan for integrating any new businesses into the resultant institution.**

The proposed transaction will not cause any changes to the Applicant's business strategy or operations, and no new business lines will result.

- 4. Provide a copy of (a) the executed merger or transaction agreement, including any amendments, (b) any board of directors' resolutions related to the transaction, and (c) interim charter, names of organizers, and any other related documents.**

- (a) A copy of the Branch Purchase Agreement is attached as Confidential Exhibit 1.
- (b) Copies of the board resolutions (for each of Town and PyraMax) are attached as Exhibit 2.
- (c) N/A.

- 5. Describe any issues regarding the permissibility of the proposal with regard to applicable state or**

Federal laws or regulations (for example, nonbank activities, branching, qualified thrift lender's test).

None.

- 6. Describe any nonconforming or impermissible assets or activities that Applicant or Resultant Institution may not be permitted to retain under relevant law or regulation, including the method of and anticipated time period for divestiture or disposal.**

None.

- 7. Provide the following financial information:**

- a) **Pro forma Balance sheet, as of the end of the most recent quarter. Indicate separately for the applicant and target institution each principal group of assets, liabilities, and capital accounts; debit and credit adjustments (explained by footnotes) reflecting the proposed acquisition; and the resulting pro forma combined balance sheet.**

See Confidential Exhibit 3.

- b) **Projected balance sheets and corresponding income statements as of the end of the first three years of operation following consummation. Describe the assumptions used to prepare the projected statements.**

See Confidential Exhibit 3.

- c) **Provide a discussion on the valuation of the target entity and any anticipated goodwill and other intangible assets.**

See Confidential Exhibit 3.

- d) **Pro forma and Projected Regulatory Capital Schedule, as of the end of the most recent quarter and each of the first three years of operation, indicating:**
- **Each component item for common equity tier 1 capital, additional tier 1 capital and tier 2 capital pursuant to the current applicable capital requirements.**
 - **Total risk-weighted assets.**
 - **Common equity tier 1 capital, tier 1 capital, total capital, and leverage ratios pursuant to the capital regulations. If applicable, also provide the applicant's existing and pro forma supplementary leverage ratio pursuant to the current capital adequacy regulations.**

See Confidential Exhibit 3.

- 8. List the directors and senior executive officers of the resultant institution and provide the name, address, position with and shares held in resultant institution or holding company, and principal occupation (if a director). Indicate any changes to the applicant's current directors and senior executive officers that would occur at the resultant institution. Applicants should consult with the responsible regulatory agency regarding whether any biographical or financial information should be submitted with respect to any new principal shareholders, directors, and senior executive officers.**

There will be no changes to the Applicant's directors and senior executive officers as a result of the proposed transaction.

Following is a list of the existing Town directorate and senior executive officers, as of the date of this filing, all of whom will continue in their roles:

Jay Mack, President and CEO, W301N3176 Windrush Circle, Pewaukee, WI 53072
Jeff Olsen, EVP Chief Credit Officer, N67 W28978 Richter Road, Hartland, WI 53029
Roger Jensen, Lending Officer, W340N7405 Townline Road, Oconomowoc, WI 53066
Tim Crane, EVP, WTFC, 285 Maple Row, Northfield, IL 60093
Joe Sweeney, Corporate Financial Advisors, 111 East Kilbourn Ave, Milwaukee, WI 53202
Thomas Precia, Integrated Risk, 2120 Pewaukee Road, Waukesha, WI 53188
Coreen Dicus-Johnson, Network Health, 400 W. River Woods Parkways, Glendale, WI 53212
Walter Winding, retired, W312N6422 Beaver Lake Road, Hartland WI 53029
Bill Nierman, Pabst Farms, 1769 East Lake Drive, Oconomowoc, WI 53066
Mark Peopold, Greenpoint Asset Management, 111 East Kilbourn Ave., Milwaukee, WI 53202
Mike Wabiszewski, Maynard Steel, 2856 South 27th Street, Milwaukee, WI 53215
Mark Fitzgerald, Chowning II, LLC, 220 E. Chowning Square, Mequon, WI 53092
Michael Murphy, retired, 16682 Bobcat Dr., Ft. Myers, FL 33908

The sole shareholder of the Applicant is WTFC.

9. Describe any litigation or investigation by local, state, or federal authorities involving the applicant or any of its subsidiaries or the target or any of its subsidiaries that is currently pending or was resolved within the last two years.

None.

10. Describe how the proposal will assist in meeting the convenience and needs of the community to be served, including, but not limited to, the following:

- a) Summarize efforts undertaken or contemplated by the applicant to ascertain and address the needs of the community(ies) to be served, including community outreach activities, as a result of the proposal.
- b) For the combining institutions, list any significant anticipated changes in services or products that will result from the consummation of the transaction.
- c) To the extent that any products or services would be offered in replacement of any products or services to be discontinued, indicate what these are and how they would assist in meeting the convenience and needs of the communities affected by the transaction.
- d) Discuss any enhancements in products or services expected to result from the transaction.

Town will continue its longtime commitment to community banking in the existing market area. No significant changes are anticipated as a result of this proposed transaction.

In general, the products and services that will be available to former PyraMax customers will be either similar to or more attractive than those previously offered by PyraMax. The majority of fees charged to customers will be the

same or lower and if a fee or service charge will increase, the increase will be minimal. Town and its network of WTFC-affiliated sister banks offer a larger organization that will be able to more effectively market to the community and will have a better delivery system (*i.e.*, more affiliated branches) through which to meet the credit needs of the community and former PyraMax customers.

11. Describe how the applicant and resultant institution will assist in meeting the existing or anticipated needs of its community(ies) under the applicable criteria of the Community Reinvestment Act (CRA) and its implementing regulations, including the needs of low- and moderate-income geographies and individuals. This discussion should include, but not necessarily be limited to, a description of the following:

- a) The significant current and anticipated programs, products, and activities, including lending, investments, and services, as appropriate, of the applicant and the resultant institution.
- b) The anticipated CRA assessment area(s) of the resultant institution. If the resultant institution's CRA assessment area(s) would not include any portion of the current assessment area of the target or the applicant, describe the excluded area(s).
- c) The plans for administering the CRA program for the resultant institution following the transaction.
- d) For an applicant or target institution that has received a CRA composite rating of "needs to improve" or "substantial noncompliance" institution-wide or, where applicable, in a state or a multistate Metropolitan Statistical Area (MSA), or has received an evaluation of less than satisfactory performance in an MSA or in the non-MSA portion of a state in which the applicant is expanding as a result of the transaction, describe the specific actions, if any, that have been taken to address the deficiencies in the institution's CRA performance record since the rating.

The proposed transaction will not result in any change to Town's CRA assessment area.

Town received a "Satisfactory" CRA rating at its most recent exams, and maintains a strong commitment to the customers and communities they serve. Town aggressively seeks out opportunities to meet the needs of its assessment area and accomplishes this through numerous relationships with nonprofits, housing agencies, healthcare agencies, local chambers, and continues to develop relationships through its calling and marketing efforts. Town has offered the FDIC's Money Smart Financial Literacy Program for many years, and actively promotes several products to bank the unbanked, thereby assisting low and moderate income individuals with re-establishing traditional banking relationships. Town also offers the Everyday Loan Product which is a low dollar loan product that the bank offers as an alternative to payday lender products.

12. The Dodd-Frank Wall Street Reform and Consumer Protection Act requires regulators to consider the risk to the stability of the United States banking and financial systems when reviewing a merger transaction between financial institutions. Discuss any effect(s) that the proposed transaction may have on the stability of the United States banking and financial systems.

None.

13. The Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 imposes additional considerations for certain interstate mergers between insured banks.

The proposed transaction does not involve an interstate merger.

14. List all offices of the applicant or target that: (a) will be established or retained as branches, including the main office, of the target institution, (b) are approved but unopened branch(es) of the target institution, including the date the current federal and state agencies granted approval(s), and (c) are existing branches that will be closed or consolidated as a result of the proposal (to the extent the information is available), and indicate the effect on the branch customers served. For each branch, list the popular name, street address, city, county, state, and zip code specifying any that are in low- and moderate-income geographies.

(a) 1605 W. Mitchell Street, Milwaukee, WI 53024

(b) N/A.

(c) None.

15. As a result of this transaction, if the applicant will be or will become affiliated with a company engaged in insurance activities that is subject to supervision by a state insurance regulator, provide:

a) The name of the company.

b) A description of the insurance activity that the company is engaged in and has plans to conduct.

c) A list of each state and the lines of business in that state in which the company holds, or will hold, an insurance license. Indicate the state where the company holds a resident license or charter, as applicable.

N/A.

16. Discuss the effects of the proposed transaction on existing competition in the relevant geographic market(s) where Applicant and Target Institution operate. Applicant should contact the appropriate regulatory agency for specific instructions to complete the competitive analysis.

As of June 30, 2018, the Applicant had 1.86% share of the deposit market of Milwaukee-Waukesha-West Allis, WI MSA. The estimated deposit liabilities to be purchased by the Applicant represent approximately 0.01% of the deposit market of the Milwaukee-Waukesha-West Allis, WI MSA.

According to the FDIC, there are 47 banking institutions in Milwaukee-Waukesha-West Allis, WI MSA operating a total of 490 retail bank branch locations. The Applicant does not believe the proposed transaction will materially affect the competitive conditions in the Milwaukee-Waukesha-West Allis, WI MSA.

17. If the proposed transaction involves a branch sale or any other divestiture of all or any portion of the bank, savings association or nonbank company (in the case of a merger under 12 U.S.C. 1828(c)(1)) to mitigate competitive effects, discuss the timing, purchaser, and other specific information.

None.

18. Describe any management interlocking relationships (12 U.S.C. 3201-3208) that currently exist or would exist following consummation. Include a discussion of the permissibility of the interlock with regard to relevant laws and regulations.

None.

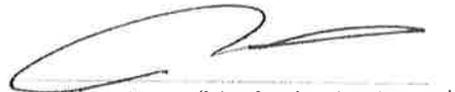
CERTIFICATION

We hereby certify that our board of directors, by resolution, has authorized the filing of this application, and that to the best of our knowledge, it contains no misrepresentations or omissions of material facts. In addition, we agree to notify the agency if the facts described in the filing materially change prior to receiving a decision or prior to consummation. Any misrepresentation or omission of a material fact constitutes fraud in the inducement and may subject us to legal sanctions provided by 18 U.S.C. 1001 and 1007.

We acknowledge that approval of this application is in the discretion of the appropriate federal banking agency. Actions or communications, whether oral, written, or electronic, by an agency or its employees in connection with this filing, including approval of the application if granted, do not constitute a contract, either express or implied, or any other obligation binding upon the agency, other federal banking agencies, the United States, any other agency or entity of the United States, or any officer or employee of the United States. Such actions or communications will not affect the ability of any federal banking agency to exercise its supervisory, regulatory, or examination powers under applicable law and regulations. We further acknowledge that the foregoing may not be waived or modified by any employee or agent of a federal banking agency or of the United States.

Signed this 3rd day of October, 2018.

Town Bank
(Applicant)



(Signature of Authorized Officer)¹
Jay Mack
President & CEO

PyraMax Bank, FSB
(Target Institution)

(Signature of Authorized Officer)¹

¹In multiple-step combinations, applicants should ensure that authorized officers of the combining institutions sign.

CERTIFICATION

We hereby certify that our board of directors, by resolution, has authorized the filing of this application, and that to the best of our knowledge, it contains no misrepresentations or omissions of material facts. In addition, we agree to notify the agency if the facts described in the filing materially change prior to receiving a decision or prior to consummation. Any misrepresentation or omission of a material fact constitutes fraud in the inducement and may subject us to legal sanctions provided by 18 U.S.C. 1001 and 1007.

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Signed this _____ day of October, 2018.

Town Bank
(Applicant)

(Signature of Authorized Officer)¹
Jay Mack
President & CEO

PyraMax Bank, FSB
(Target Institution)



(Signature of Authorized Officer)¹

¹In multiple-step combinations, applicants should ensure that authorized officers of the combining institutions sign.

FEDERAL RESERVE SYSTEM

SUPPLEMENT TO INTERAGENCY BANK MERGER ACT APPLICATION

21. Indicate whether the applicant's investment in bank premises in establishing or retaining the branches following consummation of the transaction is consistent with Section 208.21 of the Board's Regulation H.

Yes.

**Notice of Application for
Purchase of a
Branch of a Bank**

Town Bank, 850 West North Shore Drive, Hartland, WI 53029, has applied to the Federal Reserve Board (the "Board") for permission to purchase the branch located at 1605 W. Mitchell Street, Milwaukee, WI, 53024 and assume certain deposit liabilities associated with that branch, from PyraMax Bank, FSB, 7001 West Edgerton Avenue, Greenfield, WI 53220. The Board considers a number of factors in deciding whether to approve the application, including the record of performance of applicant banks in helping to meet local credit needs.

You are invited to submit comments in writing on the Board application to Colette A. Fried, Assistant Vice President, Federal Reserve Bank of Chicago, 230 South LaSalle Street, Chicago, Illinois 60604. The comment period will not end before November 12, 2018. The Board's procedures for processing applications may be found at 12 C.F.R. Part 262. Procedures for processing protested applications may be found at 12 C.F.R. 262.25. To obtain a copy of the Board's procedures, or if you need more information about how to submit your comments on the application, contact Alicia Williams, Vice President and Community Affairs Officer at (312) 322-5910; to request a copy of an application, contact Colette A. Fried at (312) 322-6846. The Board will consider your comments and any request for a public meeting or formal hearing on the application if they are received in writing by the Reserve Bank on or before the last day of the comment period.

INTERAGENCY BANK MERGER ACT APPLICATION

EXHIBIT 1:

ASSET PURCHASE AGREEMENT

(See Confidential Section.)

INTERAGENCY BANK MERGER ACT APPLICATION

EXHIBIT 2:

BOARD RESOLUTIONS

**RESOLUTIONS OF THE
BOARD OF DIRECTORS OF
TOWN BANK**

SEPTEMBER 28, 2018

The board of directors of Town Bank (the "Board of Directors"), a Wisconsin state-chartered bank ("Town Bank"), at a meeting of the Board of Directors duly called and conducted, hereby adopts the following resolutions:

WHEREAS, the Board of Directors has determined that it is in the best interests of Town Bank to purchase and assume a branch of PyraMax Bank, FSB, a federal savings bank ("PyraMax"), with such transaction referred to herein as the "Transaction," and

WHEREAS, the assets to be acquired and liabilities to be assumed by Town Bank in the Transaction may include, without limitation, the branch located at 1605 W. Mitchell Street, Milwaukee, Wisconsin (the "Branch"), the real estate and certain other assets associated with the Branch, and the deposit liabilities attributed to the Branch, as defined in a branch purchase agreement to be agreed and executed between Town and PyraMax (the "Branch Purchase Agreement").

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby approves the Transaction, subject to the terms and conditions to be set forth in the Branch Purchase Agreement and subject to applicable federal and state regulatory requirements, and further authorizes and directs the Chairman, President, or Executive Vice President to finalize, negotiate, execute and deliver such Branch Purchase Agreement with respect to the Transaction;

FURTHER RESOLVED, that the Board of Directors authorizes and directs the Chairman, President, or Executive Vice President to take all steps necessary to finalize, negotiate, execute and deliver the Branch Purchase Agreement, make all federal and state regulatory and other filings necessary to effect such transactions and take all such other actions as may be necessary to carry out the intent of these resolutions, and

FURTHER RESOLVED, that all actions of the officers (including any assistant officers) of Town Bank so taken, and all actions heretofore taken, by said officers in connection with the transactions described in the foregoing resolutions are ratified, approved and confirmed in all respects.

[Signature page as follows]

CERTIFICATE

The undersigned, who is the duly appointed and acting Secretary of Town Bank, hereby certifies that the foregoing Resolutions were duly adopted by the Board of Directors of Town Bank at a meeting of a quorum of directors held on September 28, 2018, and said Resolutions have not been amended, modified, or rescinded and remain in full force and effect.

A handwritten signature in black ink, appearing to read "John M. Hazod", written over a horizontal line.

Name: John M. Hazod, Corporate Secretary

EXHIBIT A

PYRAMAX BANK, FSB

RESOLUTIONS OF THE BOARD OF DIRECTORS

Adopted September 21, 2018

WHEREAS, the Board of Directors has previously authorized and approved the sale of the Bank's Mitchell Street branch office (the "Branch");

WHEREAS, in accordance with that authorization, the officers and other representatives of the Bank have engaged in discussions, reviews and negotiations with Town Bank ("Town") regarding a sale to Town (the "Transaction") of the Branch pursuant to a Branch Purchase and Assumption Agreement, the most recent draft of which is dated September 13, 2018 (the draft "Agreement"), with Town related thereto; and

WHEREAS, the Board of Directors desires to confirm and ratify the Agreement and transactions related thereto as in accordance with the authority previously granted by the Board;

RESOLVED, that the Board of Directors hereby authorizes and approves the final negotiation and execution by the President, the Senior Vice President-CFO, or any other Senior Vice President of the Bank (the "Authorized Officers"), on behalf of the Bank, of a final definitive Agreement, with such changes from the current draft as the executing officer may deem necessary or appropriate, such determination to be conclusively presumed from such execution;

FURTHER RESOLVED, that Board of Directors hereby authorizes one or more Authorized Officers Bank to prepare, execute and file all applications, reports, notices, schedules, articles, statements, petitions, consents, documents, information and other filings required to be filed by the Bank in connection with the consummation of the Transaction and the actions contemplated by the Agreement pursuant to applicable federal, state and other applicable laws or agreement;

FURTHER RESOLVED, that the Authorized Officers, and any one of them, are hereby authorized and directed to execute and deliver any and all agreements, deeds, certifications, instruments and other documents, and to take such other actions, as may be deemed necessary or advisable to implement the Agreement, the Transaction, and any action related thereto, and/or the foregoing resolutions, in such officers' discretion.

FURTHER RESOLVED, that all lawful actions taken by the officers and other representatives of the Bank in negotiating, documenting and effecting the Agreement and the Transaction, whether taken prior to or after the date hereof, are hereby ratified, confirmed and approved in all respects as the act and deed of the Bank.

**PYRAMAX BANK, FSB
SECRETARY'S CERTIFICATE**

I, Monica Baker, hereby certify as follow:

1. I am the duly elected, qualified and acting Secretary of Pyramax Bank, FSB (the "Bank").

2. Attached as Exhibit A is a true and correct copy of resolutions adopted at the meeting of the Board of Directors on September 21, 2018, authorizing and approving the sale of the Bank's Mitchell Street branch office to Town Bank and authorizing the execution of a Branch Purchase and Assumption Agreement to consummate the same. I further certify that such actions have not been amended, altered, or repealed since their adoption, and are in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have executed this certification in my official capacity as of the 3rd day of October, 2018.



Monica Baker
Secretary

INTERAGENCY BANK MERGER ACT APPLICATION

EXHIBIT 3:

FINANCIAL INFORMATION

(See Confidential Section.)