



**Conditional Approval #1120  
March 2015**

February 11, 2015

Valerie C. Toalson  
Chief Financial Officer  
Cadence Bank, NA  
2100 Third Avenue North, Suite 1100  
Birmingham, Alabama 35203

Re: Application filed by Cadence Bank for the Issuance of Subordinated Debt for  
inclusion as Tier 2 Capital (Application)  
CATS No. 2014-SO-Capital&Div-138896 Charter No. 3656

Dear Ms. Toalson:

The Office of the Comptroller of the Currency (OCC) hereby conditionally approves the above referenced application, submitted pursuant to 12 CFR 5.47 by Cadence Bank, National Association, Birmingham, Alabama (Bank), a wholly-owned subsidiary of Cadence Financial Corporation to include a June 16, 2014 issuance of subordinated notes in its regulatory capital effective January 1, 2015. Approval is granted after a thorough evaluation of the Application, the accompanying offering circular and other materials supplied by the Bank's representatives, including commitments and representations made in the Application and during the application process. The OCC finds that the Application satisfies the applicable standards at 12 CFR 3.20 and 12 CFR 5.47 and the Application is hereby conditionally approved. The OCC's approval is subject to the condition and consummation requirements set out herein.

**The Transaction**

The Bank issued \$25 million in Fixed-to-Floating Subordinated Notes due 2029 (Notes). The Notes bear a fixed rate of interest for the first 10 years and a floating rate thereafter. The Notes have an optional early redemption date that may be exercised provided the Bank obtains the OCC's written prior approval. The Notes were purchased by four private investment groups.

This approval is subject to the following:

- The Bank will adhere to the commitment set forth in the December 17, 2014 letter that states in pertinent part "...For purposes of the third paragraph of Section 3 of the Notes, the Bank is hereby clarifying to the Office of the Comptroller of the Currency the ambiguous terms "prospective change" and/or "announced prospective change" to mean

any amendment or change in the laws, rules and regulations referenced in the paragraph that are a final change or action with a future effective date.”

This condition of approval is a “condition imposed in writing by a Federal banking agency in connection with any action on an application, notice, or other request” within the meaning of 12 U.S.C. § 1818. As such, the condition is enforceable under 12 U.S.C. § 1818.

### **Conclusion**

This conditional approval, and the activities and communications by OCC employees in connection with the filing, do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, an agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory, and examination authorities under applicable law and regulations. Our approval is based on the Bank’s representations, submissions, and information available to the OCC as of this date. The OCC may modify, suspend, or rescind this approval if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

If you have any questions, please contact Senior Licensing Analyst Patricia D. Goings at (202) 649-6358 or at [Patricia.Goings@occ.treas.gov](mailto:Patricia.Goings@occ.treas.gov). Please include the OCC control number on any correspondence.

Sincerely,

/s/

Beverly L. Evans  
Director for Licensing Activities