

The background of the image features a stack of US dollar bills, with a \$100 bill prominently visible in the foreground. The bills are slightly out of focus, and behind them, the stars and stripes of the American flag are visible. The overall tone is patriotic and financial.

# **BENEFITS OF BUYING AN AMERICAN BANK**

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# **BENEFITS OF BUYING AN AMERICAN BANK**



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# Benefits Of Buying An American Bank

The benefits of buying an American bank include becoming an integral part of the world's financial system. As a bank owner, your financial profile rises immeasurably, and the process is not as complex as you might think.

The FDIC actively encourages small investors to buy banks and banking assets. The institutions are usually financially troubled banks, but that's not always the case. If you buy solid assets, you can reincorporate under a fresh name and clean financial slate. Banks don't go bankrupt because it's not allowed. Instead, they go into receivership in the United States.

The FDIC audits banks regularly, and those with shaky financial profiles can be forced into receivership. The FDIC is named as the receiver because the agency insures deposits. If a bank is not FDIC-insured, the Office of the Comptroller chooses someone as the official receiver who supervises the receivership process.





# How to Buy a Bank?

Buying a bank has become a more streamlined process because the FDIC prefers to sell an ailing bank before it fails. Any bank failure reflects badly on the industry. You might recall the phrase that was bandied about during the mortgage crisis of 2008, "The bank is too big to fail."

The FDIC now makes it easier for private investors to buy a struggling bank, instead of forcing it into receivership. You might need to perform due diligence on several banks to find one you feel is undervalued. You might discover that the bank's problems are superficial or exaggerated. Some banks that have serious problems only need an infusion of cash to recover.



# Where to Buy a Bank?

You can contact the FDIC, MergersCorp™ M&A International or Financial Licensing Advisors in Luxemburg, which curates information on banks for sale and how to buy a bank. You can simply run a Google search to find banks for sale in private deals and bank auctions. You can also gain controlling interest in a bank by implementing a takeover through stock purchases. One of the best strategies is to hire a lawyer with experience in closing bank sales.

## Why Invest in a Bank?

Even if you can't buy a controlling interest in a bank for sale, you can certainly invest in a bank. Value investing is considered one of the safest investments on the market because banks aren't allowed to declare bankruptcy, and banking stock usually trades below its value. Banks pay regular dividends, which is a big advantage of investing, and the historical record of dividend payments is overwhelmingly positive.



# How to Become a Covered Investor?

The FDIC requires potential bank buyers to demonstrate strong financial assets before they can be considered eligible to buy a bank. Those who are approved as potential buyers are called "Covered Investors." The prospective buyer must control assets worth at least 10% or more of the bank's assets. The FDIC will monitor the owner's finances as long as he or she continues to own the bank to ensure that the 10% remains as cash reserves. If you want to buy a bank, you enter the most rarefied of financial circles. You can make yourself loans, enjoy the benefits of liquidity and stop your wealth from being transferred in bank investments. As the bank's owner, you can determine where the bank invests its assets. Essentially, you cut other banks out of the loop when you need to borrow money, earn guaranteed interest on cash or qualify for a low-interest loan.

If you want to buy a bank or invest in one, visit [mergerscorp.com](http://mergerscorp.com) for excellent advice and investment recommendations. MergersCorp™ M&A International is one of the most respected bank brokers in the business, and they can help you buy or sell bank investments with complete confidentiality and privacy.



# Our M&A Process

TARGET APPRAISAL	APPROACH	DUE DILIGENCE	NEGOTIATION & CLOSE	POST MERGER INTEGRATION (PMI)
Key Areas				
<ul style="list-style-type: none"> <li>Target &amp; market analysis;</li> <li>Initial assessment of synergies &amp; value drivers;</li> <li>Indicative valuation;</li> <li>Go or No-Go decision;</li> <li>Preparation of transaction documents (NDA – Non-disclosure Agreement/LOI-Letter of Intent);</li> <li>Select Transaction team;</li> <li>Appoint advisors;</li> <li>Consider funding ability.</li> </ul>	<ul style="list-style-type: none"> <li>Initial approach letter;</li> <li>Signing of NDA;</li> <li>Prepare &amp; share initial information requests;</li> <li>Formulation of LOI (Letter of Intent) &amp; possible negotiations;</li> <li>Initial meeting and Q&amp;A;</li> <li>Circulate information on the Target to the Transaction team.</li> </ul>	<ul style="list-style-type: none"> <li>Set scope of due diligence;</li> <li>Set up VDR (virtual data room);</li> <li>Coordinating of due diligence, further meetings and Q&amp;A sessions;</li> <li>Consider points relevant to the Post-Merger (PMI) phase;</li> </ul>	<ul style="list-style-type: none"> <li>Revisit indicative valuation &amp; prepare detailed valuation based on due diligence findings;</li> <li>SPA negotiations with the seller;</li> <li>Development of final structure (share/asset deal) and final valuation;</li> <li>Approvals;</li> <li>Signing of SPA &amp; Close.</li> </ul>	<ul style="list-style-type: none"> <li>Consider the extent of integration;</li> <li>Development of 100 Day PMI Plan;</li> <li>Consider short &amp; long term objectives;</li> <li>Estimate requirements to capture synergies;</li> <li>Determine resource needs &amp; optimal allocation.</li> </ul>
Parties Involved				
<ul style="list-style-type: none"> <li>CFO;</li> <li>Head of M&amp;A;</li> <li>Accountants;</li> <li>Corporate finance advisors;</li> <li>Consultants.</li> </ul>	<ul style="list-style-type: none"> <li>Senior management;</li> <li>CEO, CFO, CTO;</li> <li>Strategy director;</li> <li>Head of M&amp;A;</li> <li>Head of Business Development;</li> <li>Consultants.</li> </ul>		<ul style="list-style-type: none"> <li>Company general counsel;</li> <li>Lawyers;</li> <li>Senior management.</li> </ul>	<ul style="list-style-type: none"> <li>Company general counsel;</li> <li>Lawyers;</li> <li>Senior management/HR.</li> </ul>



The background of the entire image is a composite of an American flag on the left and a stack of US dollar bills on the right. The flag features white stars on a blue field and red and white stripes. The dollar bills are primarily \$100 bills, with the portrait of Benjamin Franklin visible. The text is overlaid on a semi-transparent dark grey rectangle.

# LOOKING TO BUY A BANK?

CONTACT US NOW  
FOR MORE INFORMATION

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