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November 13, 2017

Whitney Toussaint
Federal Deposit Insurance Corporation
Regional Office
350 Fifth Avenue, Suite 1200
New York, NY 10118

RE: Merger Application


Dear Ms. Toussaint,

Enclosed please find an Interagency Bank Merger Act Application in connection with our merger of Oak Mortgage Company LLC into Republic First Bank d.b.a. Republic Bank. The merger is contemplated to be effective *January 1, 2018*.

A copy of this application will also be submitted electronically through FDICConnect.

If you have any questions or need any further information, please do not hesitate to contact me at (215) 430-5893.

Sincerely,



Trae A. Young
Executive Vice President and
Chief Risk Officer

INTERAGENCY BANK MERGER ACT APPLICATION

1. Describe the transaction's purpose, structure, significant terms and conditions, and financing arrangements, including any plan to raise additional equity or incur debt.
2. 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 related documents, if applicable.
3. 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).
4. 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.
5. Provide the indicated financial information and describe the assumptions used to prepare the projected statements, including those about the effect of the merger transaction. Material changes between the date of the financial statements and the date of the application should be disclosed. If there are no material changes, a statement to that effect should be made.
 - a. Pro Forma Balance Sheet, as of the end of the most recent quarter and for the first year of operation after the transaction. 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. Goodwill and all other intangible assets should be listed separately on the balance sheet. Indicate the amortization period and method used for any intangible asset and the accretion period of any purchase discount on the balance sheet.
 - b. Projected Combined Statement of Income for the first year of operation following consummation.
 - c. Pro Forma and Projected Regulatory Capital Schedule, as of the end of the most recent quarter and for the first year of operation, indicating:
 - Each component item for Tier 1 (Core) and Tier 2 (Supplementary) Capital, Subtotal for Tier 1 and Tier 2 Capital (less any investment in unconsolidated or nonincludable subsidiaries), Total Capital (*include Tier 3 if applicable*).
 - Total risk-weighted assets.
 - Capital Ratios: (1) Tier 1 capital to total risk-weighted assets; (2) Total capital to total risk-weighted assets; and (3) Tier 1 capital to average total consolidated assets (leverage ratio).

6. 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).
7. Describe how the proposal will meet the convenience and needs of the community. For the combining institutions, list any significant anticipated changes in services or products that will result from the consummation of the transaction. If any services or products will be discontinued, describe and explain the reasons.
8. Discuss the programs, products, and activities of the Applicant or the Resultant Institution that will meet the existing or anticipated needs of its community(ies) under the applicable criteria of the Community Reinvestment Act (CRA) regulation, including the needs of low- and moderate-income geographies and individuals. 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 multi-state 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 combination, describe the specific actions, if any, that have been taken to address the deficiencies in the institution's CRA performance record since the rating.
9. The Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 imposes additional considerations for certain interstate mergers between insured banks. Savings associations are not subject to 12 U.S.C. 1831u. If subject to these provisions, discuss authority; compliance with state age limits and host state(s) filing requirements; and applicability of nationwide and statewide concentration limits. In addition, discuss any other restrictions that the states seek to apply (including state antitrust restrictions).
10. List all offices 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 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.
11. 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 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.

If a nonaffiliate transaction, the Applicant also must reply to items 12 through 14.

12. 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.
13. 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.
14. 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.


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 13th day of November, 2017.


Republic First Bank
d.b.a Republic Bank by
(Applicant)


(Signature of Authorized Officer)¹

Frank Cavallaro
(Typed Name)

Chief Financial Officer
(Title)

Oak Mortgage Company LLC by
(Target Institution)


(Signature of Authorized Officer)¹

Andrew J. Logue
(Typed Name)

President
(Title)

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

FEDERAL DEPOSIT INSURANCE CORPORATION

SUPPLEMENT TO INTERAGENCY BANK MERGER ACT APPLICATION

All FDIC Applicants should provide the following supplemental information with their application:

15. This section supplements question 12 of the Interagency Bank Merger Act Application for transactions between nonaffiliated parties. Additional guidance relating to the FDIC's consideration of the competitive factors in a proposed merger transaction is contained in the FDIC's Rules and Regulations (12 C.F.R. 303 Subpart D) and Statement of Policy on Bank Merger Transactions (2 FDIC Law, Regulations, and Related Acts (FDIC) 5145).

I. Delineation of the relevant geographic market(s).

The relevant geographic market includes the areas in which the offices to be acquired are located and from which those offices derive the predominant portion of their loans, deposits, or other business. The relevant geographic market also includes the areas where existing and potential customers impacted by the proposed merger may practically turn for alternative sources of banking services.

- (a) Prepare schedules for the Applicant Institution and Target Institution showing the total number of accounts and total dollar volume of deposits² for each municipality or census tract, where applicable, according to the recorded address of the depositor (do not submit supporting data). Small amounts may be aggregated and identified as "other." *If the Applicant Institution is a multi-office institution, Applicant Institution deposit information should be provided only for those offices within or proximate to the area(s) described below under paragraph (b).*
- (b) Identify those areas where existing and potential customers of the offices to be acquired may practically turn for alternative sources of banking services. If consideration of the availability of such alternative banking services results in a market area considerably different from that indicated by the sources of deposits, discuss and provide necessary supporting information.
- (c) Using the information collected in paragraphs (a) and (b), provide a narrative description of the delineated relevant geographic market(s).
- (d) Provide any additional information necessary to support the delineated relevant geographic market(s). Supporting information may include relevant demographic

² In most cases, total deposits will serve as an adequate proxy for the overall share of banking business in the relevant geographic market area; however, other analytical proxies may be appropriate in certain cases (for example, a merger transaction involving trust companies).

information, locations of major employers, retail trade statistics, and/or information on traffic patterns. *Applicants may consult with the applicable FDIC Regional Office in determining whether additional information is necessary.*

II. Competition in the relevant geographic market(s).

- (a) Prepare a schedule of participating and competing banking institutions' offices, divided into three sections:
 - (i) Applicant Institution offices within or proximate to the relevant geographic market(s);
 - (ii) Target Institution offices within or proximate to the relevant geographic market(s); and
 - (iii) Competitor banking offices located or competing within the delineated relevant geographic market(s).

To the extent known, also include banking offices approved but not yet open. The following presentation format is suggested:

Name and Location of Banking Office	Total Deposits	Distance and Direction From Nearest Office	
		Applicant Institution	Target Institution

- (b) For each office listed in paragraph (a), provide the street address; total deposits as reported in the most recent *FDIC Summary of Deposits Data Book* (www.fdic.gov/databank); and distance and general direction from the nearest office of Applicant and Target Institution. *In cases where the delineated relevant geographic market includes a significant portion of a larger metropolitan area, provide only a listing of financial institutions and the aggregate total deposits of all offices operated by each within the delineated relevant geographic market(s).*
- (c) Discuss the extent and intensity of competition in the delineated relevant geographic market(s) provided by nonbank institutions, such as other depository institutions (for example, credit unions) and non-depository institutions (for example, industrial loan companies, finance companies, and/or government agencies). For those institutions regarded as competing in the delineated relevant geographic market(s), provide name, address, and services supplied.

Interagency Bank Merger Act Application

Responses to Questions

1. On July 28, 2016, Republic First Bank d/b/a/ Republic Bank (the "Bank") acquired Oak Mortgage Company LLC ("Oak Mortgage") and organized it as a wholly owned subsidiary of the Bank. The Bank became the sole member of Oak Mortgage. Oak Mortgage is a correspondent lender primarily originating and selling residential mortgage loans in the secondary market. A copy of the Amended and Restated Operating Agreement of Oak Mortgage and Resolution of the Board of Directors of the Bank identifying the officers authorized to act on behalf of Oak Mortgage Company LLC are enclosed and marked as **Exhibits A and B**, respectively.

The purpose of this application (the "transaction") is to merge Oak Mortgage into the Bank as a division (department) of the Bank.

There are no financing arrangements or plans to raise additional equity or incur debt.

Please refer to question #2 below for significant terms and conditions of the transaction.

2. A copy of the Assumption Agreement amongst the Bank and Oak Mortgage and a copy of the Board Resolution are enclosed and marked as **Exhibits C and D**, respectively.
3. There are no issues under state or federal laws and regulations regarding the purchase of assets and assumptions of liabilities of Oak Mortgage. As mentioned earlier, Oak Mortgage is a wholly owned subsidiary of the Bank originating and selling residential mortgage loans in the secondary market. As a state-chartered financial institution, the Bank is permitted to offer residential mortgage products directly to consumers.
4. There are no nonconforming or impermissible assets or activities for which the Bank will not be permitted to retain under state or federal laws and regulations.
5. Please see the financial information requested in 5a. – c. enclosed and marked as **Exhibit E**.
6. The transaction will result in no changes to the Bank's Board of Directors or named Executive Officers. A listing of the Bank's Board of Directors and Executive Officers effective as of the application date (11/13/2017) and the assumption date (1/1/2018) is enclosed and marked as **Exhibit F**.

7. The acquisition of Oak Mortgage in July 2016 provided the Bank, its customers, and the communities served by the Bank with a residential mortgage loan product that at the time was not available through the Bank. The transaction will not result in any changes in services or products offered or office/store locations at the Bank or Oak Mortgage, and it will provide for more convenience to consumers/customers, as Oak Mortgage will now be a part of the Bank and therefore information can be shared amongst departments within the Bank more freely than when Oak Mortgage was an affiliated company.
8. As noted earlier, the acquisition of Oak Mortgage in July 2016 allowed the Bank to offer a residential mortgage loan product to its customers and consumers within its market and assessment areas through Oak Mortgage. This product has already had a significant benefit to the Bank's CRA efforts as the Bank received a High Satisfactory in Lending in its most recent (May 2017) CRA Examination. We received credit for 444 residential mortgage loans totaling \$93 million (July 2016 – May 2017 - @5 months) using flexible lending programs targeting low- and moderate-income customers or segments of consumers (e.g. veterans). The flexible lending programs include Federal Housing Administration (FHA), Veteran Affairs (VA); United States Department of Agriculture (USDA) Rural Housing, NJ Housing and Mortgage Finance Agency (NJMHFA), and PA Housing Finance Agency (PHFA) loans. For the full year of 2016, Oak Mortgage originated of 594 loans totaling \$116.4 million using these same flexible lending programs, and 1,534 for \$337.7 million residential mortgage loans in total. These numbers are expected to increase in 2017.
9. Not Applicable. The merger does not involve two insured banks.
10. Oak Mortgage has the following existing offices that the Bank plans on continuing to operate:

Marlton Mortgage Office
525 Route 73 N, Suites 100-101
Marlton, NJ 08053
Burlington County

At this location, applications will be taken, processed and decisioned; loans closed and funded. This is contemplated to be a "branch" under the FDIC's definition.

Trevoise Mortgage Office
8 Neshaminy Interplex, Suite 105
Trevoise, PA 19053
Bucks County

At this location, applications will be taken and processed; however no loan decisions will occur at this location nor will any loans be closed or funded. This location is not contemplated to be a "branch" under the FDIC's definition.

11. Not Applicable– neither the Bank nor Oak Mortgage is engaged in insurance activities

12. Not Applicable – the transaction is not a non-affiliate transaction

13. Not Applicable - the transaction is not a non-affiliate transaction

14. Not Applicable - the transaction is not a non-affiliate transaction

FDIC - Supplement to Interagency Bank Merger Act Application

15. Not Applicable – the transaction is not between nonaffiliated parties

EXHIBIT B

RESOLUTION OF THE BOARD OF DIRECTORS OF REPUBLIC FIRST BANK D/B/A REPUBLIC BANK

**RESOLUTION OF THE BOARD OF DIRECTORS OF
REPUBLIC FIRST BANK D/B/A REPUBLIC BANK**

At a meeting of the Board of Directors duly called and held on **December 20, 2016**, the following Resolution was adopted:

RESOLVED, that the following persons be, and each of them hereby is, confirmed to be an officer of Oak Mortgage Company LLC ("Company"), a subsidiary of Republic First Bank d/b/a Republic Bank. Each is hereby authorized, directed and empowered for and on behalf and in the name of Oak Mortgage Company LLC to authorize, make, execute and deliver any and all agreements, documents and instruments on behalf of Oak Mortgage Company LLC.

Name	Position
Harry D. Madonna	Chairman/ Chief Executive Officer
Andrew J. Logue	President
William H. Gelernt	Executive Vice President
Eugene J. Brown	Senior Vice President
Joseph S. Dare	Treasurer
Joanna L. Graf	Secretary

I further certify that this Corporation is duly organized and existing and has the power to take the action called for by the foregoing Resolution.

By:  12/22/16
Harry D. Madonna, Chairman and CEO Date


By:  12/20/2016
Kemma Brown, Corporate Secretary Date

EXHIBIT D

**BOARD OF DIRECTOR
RESOLUTION -
MERGER TRANSACTION**

**Resolution of the Board of Directors of
Republic First Bank d.b.a. Republic Bank**

At a meeting of the Board of Directors duly called and held on **October 31, 2017** the following Resolution was adopted:

WHEREAS, it is the sense of this meeting that Oak Mortgage Company LLC be merged into Republic First Bank d/b/a Republic Bank as a division of Republic Bank, and as such that an Application for a Letter of Authority and a Request for a Limited Purpose Banking Office should be made to the Department of Banking and Securities of the Commonwealth of Pennsylvania to establish a branch at **525 Route 73 N, Suites 100-101, Marlton, NJ 08053** and a limited purpose banking office at **8 Neshaminy Interplex, Suite 105, Trevoese, PA 19053**, respectively; and that a Merger Application should be made to the Federal Deposit Insurance Corporation.

NOW, THEREFORE, BE IT RESOLVED, that **Tracie A. Young**, **Chief Risk Officer** of this institution, be hereby authorized and directed to prepare and file with the Department of Banking and Securities and Federal Deposit Insurance Corporation, on behalf of Republic First Bank d.b.a. Republic Bank, the appropriate applications to effect the merger and establish the branch and limited purpose banking office at the aforementioned locations.

I CERTIFY that the above Resolution was adopted at a meeting of the Board of Directors held on **October 31, 2017**; that the same has not been rescinded; that the number of duly elected and qualified Directors is **nine**; that the number of Directors attending said meeting was **nine**; and that **eight** voted in favor of the Resolution, **zero** voted against the Resolution, and **one**, Theodore J. Flocco, Jr., abstained from voting on the Resolution.

SEAL


Signature of Secretary

Notice to be Published in a Newspaper of General Circulation

NOTICE OF FILING AN APPLICATION

Notice is hereby given that on November 13, 2017 Republic First Bank d.b.a. Republic Bank, with its principal place of business located at 50 South 16th Street, Suite 2400, Philadelphia, Pennsylvania 19102, Philadelphia County, filed a Merger Application with the Federal Deposit Insurance Corporation (FDIC) for consent to merge Oak Mortgage Company LLC located at 525 Route 73 N, Suites 100-101, Marlton, Burlington County, New Jersey into Republic First Bank d.b.a. Republic Bank.

It is contemplated that all offices of Republic First Bank d.b.a. Republic Bank and Oak Mortgage Company LLC will continue to be operated.

Any person wishing to comment on this application may file his or her comments in writing with the Regional Director of the Federal Deposit Insurance Corporation at the Regional Office, 350 Fifth Avenue, Suite 1200, New York, New York, 10118 not later than December 13, 2017. The non-confidential portions of the application are on file in the Regional Office and are available for public inspection during regular business hours. Photocopies of the non-confidential portion of the application file will be made available upon request.

A schedule of charges for such copies can be obtained from the regional office.

COURIER-POST & PHILADELPHIA INQUIRER

Needs to run on the following dates:

11/13/2017

11/25/2017

12/08/2017