Conditional Approval #1089
March 2014

February 14, 2014

Jeffrey A. Watiker, Esq.
Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, New York 10019-6150

Re: Application for the merger of Advantage Bank, Cambridge, Ohio, with and into The Huntington National Bank, Columbus, Ohio
OCC Control Number: 2013-CE-Combination-136105

Dear Mr. Watiker:

The Office of the Comptroller of the Currency ("OCC") hereby conditionally approves the application submitted by The Huntington National Bank, Columbus, Ohio ("Huntington" or the "Bank") to merge Advantage Bank, Cambridge, Ohio ("Advantage") with and into Huntington. This conditional approval is granted based on a thorough review of all information available, including comments and representations made in the application and those of your representatives.

I. Background

Advantage is a state, nonmember bank with its main office in Cambridge, Ohio and branches in Ohio, Kentucky, and West Virginia. Advantage is a wholly-owned subsidiary of Camco Financial Corporation ("Camco"), a bank holding company located in Cambridge, Ohio. Huntington is owned by Huntington Bancshares Incorporated ("HBI"), a bank holding company located in Columbus, Ohio. Huntington's main office is located in Columbus, Ohio, and has branches in Ohio, Kentucky, West Virginia, Florida, Indiana, Pennsylvania, and Michigan.

II. The Transaction

On October 24, 2013, Huntington filed an application to merge Advantage with and into Huntington pursuant to the Bank Merger Act, 12 U.S.C. § 1828(c)(11). HBI and Camco entered into an Agreement and Plan of Merger, dated October 9, 2013, which provides for the merger of Camco with and into HBI with HBI continuing as the surviving entity ("Holding Company Merger"). Immediately following consummation of the Holding Company Merger, Advantage will merge with and into Huntington, with Huntington continuing as the surviving bank. As discussed below, the OCC has determined that the merger satisfies relevant legal requirements.

III. Bank Merger Act

The proposed merger between Huntington and Advantage is subject to OCC review under the Bank Merger Act. 12 U.S.C. § 1828(c). The OCC reviewed the proposed merger transaction under the criteria of the Bank Merger Act and applicable OCC regulations and policies. Under the Bank Merger Act, the OCC generally may not approve a merger that would result in a monopoly or substantially lessen competition. The Bank Merger Act also requires the OCC to take into consideration the financial and managerial resources and future prospects of the existing and proposed institutions, the convenience and needs of the communities to be served, and the constituent institutions' record of performance under the Community Reinvestment Act ("CRA").[1] 12 U.S.C. § 1828(c)(5). The OCC must also consider the effectiveness of any insured depository institution involved in the proposed merger transaction in combating money laundering activities. 12 U.S.C. § 1828(c)(11). In addition, the OCC may not approve a merger if the resulting insured depository institution (including all insured depository institutions which are affiliates of the resulting insured depository institution), upon consummation of the transaction, would control more than 10 percent of the total amount of deposits of insured depository institutions in the United States. 12 U.S.C. § 1828(c)(13). Furthermore, the OCC must consider the risk of the transaction to the stability of the United States banking or financial system. 12 U.S.C. § 1828(c)(5) (as amended by section 604 of The Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub.L. 111-203 ("Dodd-Frank")). The OCC considered each of these factors and found them consistent with approval of this application.

IV. Community Reinvestment Act

The Community Reinvestment Act requires the OCC to take into account the records of the institutions' performance in helping to meet the credit needs of their communities, including low- and moderate-income ("LMI") neighborhoods, when evaluating applications under the Bank Merger Act. The OCC considered the CRA performance evaluation ("PE") of each bank involved in this transaction. A review of these records and other information available to the OCC as a result of its supervisory responsibilities revealed that the banks' records of helping to meet the credit needs of their communities are consistent with approval of this application.

A. The Huntington Bank

Huntington's most recent PE and Rating of Record was issued by the OCC and assigned the Bank an overall "Satisfactory" rating.[2] Factors supporting the overall "Satisfactory" rating were: (i) excellent community development lending which had a positive impact on its lending performance; (ii) good lending performance and level of community development services; (iii) an adequate distribution of loans among LMI geographies and a good distribution of loans among LMI borrowers; (iv) an adequate level of investments benefiting its assessment areas

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[1] 12 U.S.C. § 2901 *et seq*.

[2] Huntington was examined as a large institution and received a "High Satisfactory" rating for the lending test, a "Low Satisfactory" rating for the investment test and a "High Satisfactory" rating for the service test. A copy of the PE is available at http://www.occ.gov/tools-forms/tools/compliance-bsa/cra-perf-eval-search.html.

("AAs"); and (v) retail services that are accessible to geographies and individuals of different income levels in the AAs.

B. Advantage Bank

Advantage's most recent PE and Rating of Record was issued by the FDIC and assigned the bank an overall "Satisfactory" rating.[3] Factors supporting the overall "Satisfactory" rating were: (i) a good responsiveness to the credit needs of its AAs through its lending levels; (ii) a reasonable loan-to-deposit ratio given the bank's size, financial condition, and AAs' credit needs; (iii) reasonable distribution of loans to individuals of different income levels and to businesses and farms of different sizes; (iv) a reasonable geographic distribution of residential, small business and farm loans throughout the AAs; (v) a substantial majority of loans originated within the AAs; and (vi) an adequate responsiveness to the community development needs of its assessment areas through community development loans, qualified investments and community development services.

V. Public Comments

The OCC received several public comments expressing concerns about Huntington's proposed branch closures, record of branch closures and Huntington's volume of home mortgage lending to minorities based on 2012 Home Mortgage Disclosure Act ("HMDA") data. One commenter, citing HMDA data, expressed the following concerns: (i) Huntington originated substantially fewer home purchase loans to African-American and Latino applicants than to White applicants in the Toledo, OH metropolitan statistical area ("MSA"); (ii) Huntington originated substantially fewer home purchase loans to African-American and Latino applicants than to White applicants, and had a high denial rate for African-Americans, in the Detroit, MI MSA; and (iii) Huntington originated no home purchase loans to African-American and Latino applicants in the Huntington-Ashland, WV-KY-OH MSA. Based on these concerns, the commenter requested the comment period be extended and that the OCC hold public hearings on the matter.

The OCC has carefully considered the commenters' concerns as they relate to the statutory and regulatory factors considered by the OCC when reviewing an application under the Bank Merger Act. The OCC has summarized and addressed the commenters' concerns below.

A. Branch Closures

With regard to branch closures, one commenter expressed concerns regarding Huntington's record for closing branches and requested that it be required to list the branches it planned to close following the merger. The commenter referenced news articles to suggest that prior branch closures had a negative impact on the communities in which they were located. Following the publication of the nine branches Huntington intends to close or consolidate as a

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[3] Advantage was examined as an intermediate small institution and received "Satisfactory" ratings for both the lending and community development tests. A copy of the PE is available at http://www.ffiec.gov/cra/ratings.htm.

result of the merger, this commenter expressed concerns about how Huntington would continue to serve the consumers previously served by those branches. Additionally, two consumers expressed concerns related to the proposed closure of their branch and described how the to-be-closed branch is more convenient than the receiving branch because of their hours of operation and location to commercial centers.

The most recent Huntington CRA PE of record rated the service test overall as "High Satisfactory." The PE indicated that Huntington's branches are accessible to geographies and individuals of different income levels. In addition, the PE indicated that the hours and services offered across AAs were good and Huntington's previous record of opening and closing of branches generally did not adversely affect the accessibility of delivery systems to LMI individuals and geographies. During the PE's evaluation period, Huntington had a net loss of one branch.

In addition, Huntington specifically addressed the commenters' concerns related to branch closures. Huntington represented that it has a growing branch network. Huntington further represented that when it decides to close branches to reduce overlap or improve profitability, it endeavors to minimize adverse customer impacts. Additionally, Huntington represented that it has a comprehensive Branch Opening, Closing, Relocation & Consolidation Policy ("Branch Policy") that requires consideration during the evaluation process of, among other factors, compliance with applicable laws and regulations and appropriate analysis of CRA-related impacts. Huntington indicated that it followed the Branch Policy in determining which branches to close following the merger. Lastly, in addressing one of the consumer comments, Huntington indicated that following the merger, it plans to re-evaluate the business hours for all acquired Advantage branches, so as to improve customer convenience.

B. Fair Lending

A commenter expressed concerns regarding the volume of Huntington's home purchase loan originations in the Toledo, Detroit, and Huntington-Ashland MSAs. The commenter suggested that, based on an analysis of 2012 HMDA data, Huntington's lending to African American and Latino applicants for home purchase loans within these areas is unsatisfactory.

Pursuant to 12 C.F.R. § 25.28(c), the results of the OCC's evaluation of a bank's CRA performance may be adversely affected by evidence of discriminatory or other illegal credit practices. The OCC may lower the overall CRA rating of an institution based on findings of discriminatory or other illegal credit practices[4] in any geography by the bank, or in any assessment area by any affiliate whose loans are considered as part of a bank's lending

[4] Section 1025 of Dodd–Frank assigns to the Consumer Financial Protection Bureau ("CFPB") exclusive examination authority, and primary enforcement authority, of banks with assets greater than $10 billion to ensure compliance with the Federal consumer financial laws specified in Section 1002 of that law. Since July 2011, Huntington has been supervised by the CFPB for compliance with those designated Federal consumer financial laws. The OCC continues to examine and enforce other consumer compliance laws that were not transferred to the CFPB by Dodd-Frank.

performance. The Huntington PE of record noted that the OCC had not identified evidence of discriminatory or other illegal credit practices with respect to this institution during that evaluation period.

With regard to the home mortgage lending concerns raised by the commenter, it should be noted that HMDA data alone is not adequate to provide a basis for concluding that a bank is engaged in lending discrimination or to indicate whether its level of lending is sufficient. Specifically, HMDA data does not take into consideration borrower creditworthiness, housing prices, collateral values, credit scores, and other factors relevant to each credit decision, nor does it fully reflect the range of a bank's home mortgage lending activities or efforts.

Huntington represented that it strives to serve all members of its communities with affordable and competitive products, including individuals in the three locations identified by the commenter. Huntington's PE of record assigned an overall rating of "High Satisfactory" on the lending test. In the Toledo assessment area which received a limited scope review, Huntington's performance under the lending test was stronger than its overall performance due to stronger borrower distribution of lending. Huntington received an excellent rating in the Detroit-Warren assessment area. In the Detroit-Wayne assessment area, which received a limited scope review, Huntington's performance under the lending test was not inconsistent with its overall outstanding lending test performance in Michigan. Lastly, in the Huntington, WV assessment area, which received a limited scope review, Huntington's lending test performance was stronger than its overall performance due to stronger borrower distribution of lending.

Additionally, Huntington indicated that its HMDA lending record in the MSAs identified by the commenter reflects the difficult lending markets in these locations. Huntington represented that it offers special affordable housing programs specifically targeted to LMI borrowers.[5] Huntington represents that it promotes these programs through loan officers' interactions with customers and referral sources and through community partnerships with nonprofit organizations and government entities such as the Michigan State Housing Development Authority, Northwest Ohio Development Authority, Ohio Housing Finance Agency, and the Cabell Huntington Wayne Housing Consortium. Furthermore, Huntington indicated that the merger will allow current Advantage consumers to gain access to Huntington's broader array of mortgage loans and other lending products.

Huntington further represented that it maintains a Fair and Responsible Banking Policy ("Fair and Responsible Policy") that recognizes the importance of fair lending to the communities that it serves. To this end, Huntington indicated that it established a Fair Lending Program designed to integrate the Fair and Responsible Policy into its daily operations. The Fair Lending Program provides for oversight by Huntington's Board of Directors and its management, policies and procedures, a risk assessment framework, monitoring and testing, a system of internal controls, training, and customer complaint response. Huntington represented that upon consummation of the Huntington/Advantage merger, Huntington's CRA program and

[5] For example, the Bank's Community Access Mortgage product helps borrowers with higher loan-to-value purchase or refinance properties in LMI census tracts or for LMI borrowers.

consumer compliance risk management programs will govern mortgage lending for the combined institution.

C. Request for an Extension of the Comment Period

A commenter requested that the OCC extend the public comment period and deny the application. The standard that the OCC applies to determine whether to extend a public comment period is set forth in 12 C.F.R. § 5.10, which provides:

The OCC may extend the comment period if: (i) the applicant fails to file all required publicly available information on a timely basis to permit review by interested parties or makes a request for confidential treatment not granted by the OCC that delays the public availability of that information; (ii) any person requesting an extension of time satisfactorily demonstrates to the OCC that additional time is necessary to develop factual information that the OCC determines is necessary to consider the application; or (iii) the OCC determines that other extenuating circumstances exist.

After careful consideration, the OCC determined not to extend the public comment period. None of the reasons set forth in 12 C.F.R. § 5.10 as justification for extending a comment period were evident in connection with this application.[6]

D. Summary

Accordingly, based upon our review of the respective records of the banks involved in the proposed merger, the application and related written materials that Huntington provided to the OCC, the public comments and Huntington's responses to the public comments, all commitments and representations made by Huntington, and other information available to the OCC as a result of its regulatory responsibilities, we conclude that Huntington's and Advantage's respective records of helping meet the credit needs of their communities are consistent with the approval of the application.

VI. Subsidiaries and Branches

Huntington has represented that it will not acquire any subsidiaries with activities or investments not previously approved by the OCC. Advantage owns a 49% interest in AB Title Agency, LLC ("ABT"), a title insurance agency, but intends to dissolve ABT prior to the closing of the merger transaction. Consequently, Huntington will not acquire any interest in ABT as part of the merger transaction.

Huntington will retain the current main office of Advantage as a branch office. Immediately following consummation of the merger, Huntington proposes to close five branches and consolidate four branches.

[6] It is the OCC's practice to accept public comments after the close of the comment period.

VII. Condition of Approval

This approval is subject to the following condition:

Huntington shall comply with the requirements of the November 14, 2013, Letter of Agreement executed with the Department of Justice.

This condition of approval is a condition "imposed in writing by a Federal banking agency in connection with any action on any 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.

VIII. Consummation Requirements

The OCC's Central District Office must be advised in writing in advance of the desired effective date for the merger so it may issue the necessary certification letter. The effective date must follow the applicable Department of Justice's injunction period and any other required regulatory approval.

The OCC will issue a letter certifying consummation of the transaction when we receive an executed merger agreement and if required or applicable, amended Articles of Association, with a Secretary's Certificate certifying the required shareholder approval was obtained and a Secretary's Certificate from each institution, certifying that the shareholder approvals have been obtained. If the merger is not consummated within one year from the approval date, the approval shall automatically terminate, unless the OCC grants an extension of the time period.

This 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, any 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.

A separate letter is enclosed requesting your feedback on how the OCC handled your application. We would appreciate your response so we may continue to improve our service.

All correspondence regarding this application should reference the OCC Control Number. If you have any questions, please contact Senior Licensing Analyst Kimberly M. Lynch at (312) 660-8716 or e-mail Kimberly.lynch@occ.treas.gov.

Sincerely,

signed

Stephen A. Lybarger
Deputy Comptroller for Licensing

Enclosure: Survey Letter