

Happy weekend Bank Slaters!

Let's start this week's newsletter with a few thoughts on TD Bank's [agreement to buy](#) First Horizon in Memphis, Tenn., for \$13.6 billion. This is the third-largest bank acquisition since 2013, trailing only BB&T-SunTrust and the pending [BMO-Bank of the West](#) deal.

Much of the chatter after the announcement centered on the clause that will deliver an increased payout to First Horizon shareholders if the deal doesn't close by Nov. 27. Why do this?

For starters, more people in Washington are pushing for increased scrutiny for large bank mergers. And the average time it takes to close a deal valued at more than \$500 million has increased from about 180 days for mergers completed in 2021 to roughly 260 days so far this year, [according to Janney Montgomery Scott research](#).

TD Bank could be sending a message to First Horizon investors – along with the seller's employees and clients – that it is very committed to the deal. Several people I have spoken with believe clauses like this could become standard operating procedure for big deals – and could trickle down to smaller transactions over time.

What do you think? I'd like to hear your thoughts. Reach out to me at [paul.davis.mba@gmail.com](mailto:paul.davis.mba@gmail.com).

Let's look at the other headlines in banking from the past few days.

### **M&A**

- M&T Bank [finally received Fed approval](#) to buy People's United Bancorp in Bridgeport, Conn. It has only 12+ months since the \$7.6 billion deal was announced.
- Three credit unions announced plans to buy banks. Barksdale Federal Credit Union in Bossier City, La., [agreed to buy](#) Home Bank of Arkansas in Portland. Robins Financial Credit Union in Warner-Robins, Ga., [plans to buy](#) Persons Banking in Forsyth, Ga., while Summit Credit Union in Madison, Wis., [lined up the purchase](#) of Commerce State Bank in West Bend, Wis.

- Veritex Holdings in Dallas [will pay \\$91 million](#) for interLINK, which administers about \$8 billion of deposits for broker/dealers and clearing firms through FDIC-insured cash sweep programs.
- Fulton Financial in Lancaster, Pa., is ending a more than 15 year hiatus from bank M&A with its [planned purchase](#) of Prudential Bancorp in Philadelphia. Fulton will pay \$142 million in a deal expected to close in the third quarter.
- Zip, an Australian provider of Buy Now Pay Later (BNPL) services, [agreed to buy](#) Minneapolis rival Sezzle for \$356 million in a deal expected to close in the third quarter.
- An [internal investigation](#) involving the longtime CEO of RBB Bancorp – and his leave of absence while the probe is happening – could challenge the Los Angeles company when it comes to completing its pending purchase of Gateway Bank. The situation could “make it harder” for RBB to get regulatory approval, said David Morris, RBB's interim president and CEO.

### **Arrivals/Departures**

- Republic First Bancorp in Philadelphia, which is [facing pressure](#) from two shareholder groups, will [not renew an employment agreement](#) with a former CEO. The company said its agreement with Harry Madonna, its president and chairman emeritus, will end next February.
- Mid Penn Bancorp in Harrisburg, Pa., has hired the chief financial officer at Spirit of Texas Bancshares to [serve as its CFO](#). Allison Johnson is expected to join Mid Penn shortly after Spirit of Texas is sold to Simmons First National.
- One of the longest-serving bank CEOs [is retiring](#). United Bankshares in Charleston, W.Va., said Rick Adams will succeed his father, Richard Adams, on April 1. The elder Adams will remain chairman.

### **Miscellaneous**

- A group in Nevada is [looking to form a de novo bank](#). Organizers of Capital Preferred Savings Bank in Las Vegas submitted an application on Thursday with the FDIC.

There you have it – a very merger-heavy week in banking. Hope you all have a chance to rest and recharge. We'll be back at it on Monday!

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