

OFFICE OF THRIFT SUPERVISION

Approval of Organization and Acquisition of a Federal
De Novo Stock Savings Bank

Order No.: 95-149

Date: July 28, 1995

Community Bancshares, Inc., Neosho, Missouri (the "Holding Company") has applied to the Office of Thrift Supervision ("OTS") to organize a federal de novo stock savings bank to be known as Community Bank, FSB ("Institution"), pursuant to Section 5(e) of the Home Owners' Loan Act ("HOLA"), 12 U.S.C. § 1464(e), and 12 C.F.R. § 552.2-1 thereunder. In addition, the Holding Company has applied to the OTS to acquire the Institution, pursuant to Section 10(e) of the HOLA, 12 U.S.C. § 1467a(e), and 12 C.F.R. § 574.3. (The foregoing applications are referred to herein as the "Applications.")

The OTS has considered the Applications under the standards set forth at sections 5(e) and 10(e) of the HOLA, and at 12 C.F.R. §§ 552.2-1, 571.6, and 574.7. In addition, the OTS has considered the Institution's proposed Community Reinvestment Act statement to meet the credit needs of the entire community the Institution will serve, including the low- and moderate-income neighborhoods therein, a digest from the Midwest Regional Office, an opinion from the Business Transactions Division and an analysis from Corporate Activities.

The OTS has determined that the organization of the Institution and the acquisition of the Institution by the Holding Company would be in compliance with all applicable statutes and regulations. Accordingly, the Applications are hereby approved provided that the following conditions are complied with in a manner satisfactory to the Midwest Regional Director, or his designee:

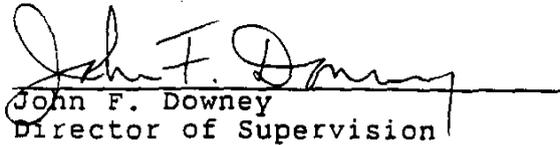
1. The Holding Company and the Institution must receive all required regulatory approvals prior to establishment of the Institution with copies of all such approvals supplied to the Midwest Regional Office;

2. There have been no substantial changes with respect to the information currently before the OTS, including but not limited to directors, proposed shareholders, or the business plan; and provided further, that no additional information, having an adverse bearing on any feature of the application, exists;
3. The Institution shall provide for employment of Senior Executive Officers who shall be charged with full administrative and managerial responsibilities of the Institution under policies established by its board of directors. The performance of such individuals will be periodically reviewed and their continued employment will be subject to the Midwest Regional Director's approval for a period of three years;
4. Prior to opening for business, the officers, organizers and directors must: (1) meet with the Midwest Regional Director; and (2) file with the Midwest Regional Director a certification by legal counsel stating the effective date of the completion of the organization of the Institution, and that the completion of the organization of the Institution has been consummated in accordance with the provisions of all applicable laws and regulations (including state and federal securities law requirements), the application, and this Order;
5. The Institution is required to undergo an annual independent audit for the first three years of operation unless the requirement is waived in writing by the Regional Director prior to the expiration of the three year period;
6. The institution shall submit to the Midwest Regional Director for review, copies of policies and procedures detailing the operation of its investment activities under contract with Community Bank & Trust, prior to the management of this activity by Community Bank & Trust;
7. The Institution shall submit a certification that it will be in compliance with the requirements of 12 C.F.R. Section 563f; and

8. Article III Section 12, and Article XI of the proposed bylaws for Community Bank, FSB, must be amended to comply with the model bylaws in the Appendix to Part 552 of the OTS Regulations.

Any time period specified herein may be extended by the Midwest Regional Director, for good cause, for up to 120 calendar days.

By order of the Acting Director of the Office of Thrift Supervision, or his designee, effective **July 28, 1995**.


John F. Downey
Director of Supervision