

**OFFICE OF THRIFT SUPERVISION**

**Approval of Organization of a Federal Mutual Savings  
Bank and its Purchase of Assets and  
Assumption of Liabilities of a  
Credit Union**

**Order No. 95-190**

**Date: November 17, 1995**

AWANE Credit Union, Peterborough, New Hampshire (the "Credit Union"), has applied to the Office of Thrift Supervision ("OTS"), pursuant to 12 U.S.C. § 1464(e) and 12 C.F.R. § 543.2 to organize a Federally chartered, mutual savings bank to be known as AWANE Bank, FSB, (the "Savings Bank"). The Savings Bank will be a member of the Savings Association Insurance Fund.

An application has also been filed with the OTS, under 12 C.F.R. §§ 546.2 and 563.22 for the Savings Bank to purchase the assets and assume the liabilities of the Credit Union. (Collectively, the foregoing applications are referred to herein as the "Applications.")

The OTS has considered the Applications under the standards set forth in 12 U.S.C. § 1464(e), and 12 C.F.R. §§ 543.2(g) and 563.22(d) and has determined that the Applications satisfy all applicable statutory and regulatory criteria, provided that the conditions set forth below are satisfied. In addition, the OTS has determined that approval of the Applications would be consistent with the Community Reinvestment Act. Accordingly, the Applications are hereby approved, subject to the following conditions:

1. The Credit Union and the Savings Bank must receive all required regulatory approvals prior to consummation of the proposed transaction with copies of all such approvals provided to the OTS Northeast Regional Office;
2. On the business day prior to the date of consummation of the proposed transaction, the Chief Financial Officer of the Credit Union shall certify in writing to the OTS Northeast Regional Director that no material adverse changes have occurred with respect to the financial condition or operation of the Credit Union since the date of the financial statements submitted with the Applications;
3. The proposed transaction must be consummated within one hundred twenty (120) calendar days from the date of this Order or

within such additional period as the OTS Northeast Regional Director, or his designee, may grant;

4. The Savings Bank must advise the OTS Northeast Regional Office, in writing, within five (5) calendar days after the effective date of the proposed transaction: (a) of the effective date of the proposed transaction and (b) that the transaction was consummated in accordance with all applicable laws and regulations, the Applications and this Order;

5. The Savings Bank must submit a final accounting of the transaction to the OTS Northeast Regional Director within thirty (30) calendar days after the effective date of the proposed transaction;

6. The Savings Bank shall submit for review and approval of the OTS Northeast Regional Director, or his designee, policies and procedures outlined in the OTS entrance examination report, as adopted or revised, within 90 calendar days of consummation;

7. Within 5 calendar days of the effective date of the proposed transaction, the board of directors of the Savings Bank must certify, in writing, that the Savings Bank's investments with Tricorp Federal Credit Union, Westbrook, Maine, which are prohibited by the Home Owners' Loan Act, will be disposed of without material loss to the Savings Bank at the earliest possible date, but no later than one year from the date of conversion, unless an extension for good cause is granted by the OTS Northeast Regional Director, or his designee;

8. The Savings Bank shall be subject to an annual audit by an independent public accountant, pursuant to 12 C.F.R. § 562.4;

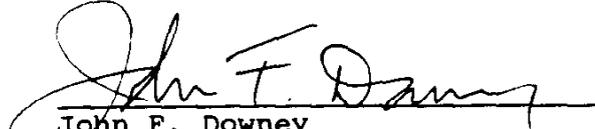
9. Within 90 calendar days of consummation of the transaction, the Savings Bank will increase its board of directors by adding two individuals who are not associated with the American Wholesalers Association of New England, Inc. These individuals must be approved by the OTS Northeast Regional Director, or his designee, prior to their service as directors;

10. Any employment agreements entered into by the Savings Bank must be approved by the OTS Northeast Regional Director, or his designee, prior to their execution.

11. The Savings Bank's board of directors shall agree, in writing, within 90 calendar days of consummation of the transaction to amend the Savings Bank's business plan, providing that commercial loans in the Savings Bank's third year of operations, will not exceed 10% of total assets, pursuant to 12 C.F.R. § 545.46(a); and

12. The Savings Bank shall submit to the OTS Northeast Regional Director evidence that its asset composition is in compliance with the Qualified Thrift Lender test, as soon as possible, but no later than the end of the quarter after the quarter in which the transaction is consummated.

By order of the Director of the Office of Thrift  
Supervision, or his designee, effective November 17, 1995.

  
John F. Downey  
Executive Director, Supervision