The Office of Thrift Supervision ("OTS"), by Order No. 96-108, dated November 12, 1996, approved the application of First Federal Savings Bank of America, Fall River, Massachusetts (the "Association"), to convert from a federally chartered mutual savings association to a federally chartered stock savings association pursuant to Section 5(i) of the Home Owners' Loan Act of 1933, and 12 C.F.R. Part 563b. In connection with its conversion to a stock association, the Association has formed a holding company, FirstFed America Bancorp, Inc., Fall River, Massachusetts (the "Corporation"), that will acquire all of the Association's capital stock to be issued upon conversion.

The Association's plan of conversion, as amended (the "Plan of Conversion"), included local depositor preference provisions. The OTS has re-examined the administrative record and has determined that the agency would need to conduct further analysis in order to develop an adequate record regarding the reasonableness of the local depositor preference provisions in the Plan of Conversion.

Therefore, Order No. 96-108, dated November 12, 1996, is hereby modified to withdraw approval of the local depositor preference provisions in the Plan of Conversion and to add the following requirements, if the Association proceeds with the proposed conversion offering:

1. The Plan of Conversion shall be promptly amended by the Association to delete the local depositor preference provisions;

2. The Association and the Corporation shall not use any local depositor preferences in filling orders for shares offered in the proposed conversion;

3. The Association shall provide its members with appropriate disclosure regarding the deletion of the local depositor preference provisions from the Plan of Conversion and the opportunity to change or revoke their proxies;

4. The Association and the Corporation shall provide each subscriber and each ordering person with appropriate disclosure regarding the deletion of the local depositor preference provisions from the Plan of Conversion and the opportunity to increase, decrease or rescind their order for shares offered in the proposed conversion; and
(5) The Association shall promptly file with the OTS the following: the Plan of Conversion as amended to delete the local depositor preference provisions, a certified copy of the board of directors resolution approving the amendment of the Plan of Conversion to delete the local depositor preference provisions, and the additional proxy materials and the supplemental stock offering materials regarding the deletion of the local depositor preference provisions from the Plan of Conversion.

If the Association desires to proceed with a conversion offering that includes local depositor preference provisions, either as denominated in the Plan of Conversion or as otherwise denominated, it may file a new application and plan of conversion with OTS pursuant to Part 563b and other applicable regulations.

By the Order of the Director of the Office of Thrift Supervision, or his designee, effective December 17, 1996.

John F. Downey  
Executive Director, Supervision