

OFFICE OF THRIFT SUPERVISION  
APPROVAL OF HOLDING COMPANY APPLICATION  
AND  
SECTION 10(1) NOTIFICATION

ORDER NO.: 96-89  
DATE: August 29, 1996

Mutual Savings Bank, Milwaukee, Wisconsin ("Savings Bank") seeks approval of the Office of Thrift Supervision ("OTS"), pursuant to 12 U.S.C. § 1467a(e) and 12 C.F.R. § 574.3, to acquire Mutual Bank for Savings, Milwaukee, Wisconsin ("State Bank"). In addition, the Savings Bank requests that the State Bank be deemed a "savings association" for purposes of 12 U.S.C. § 1467a, in accordance with 12 U.S.C. § 1467a(l) (collectively, the "Applications").

The OTS has considered the Applications under the factors set forth in 12 U.S.C. §§ 1467a(e) and (l) and 12 C.F.R. § 574.7, and under the Community Reinvestment Act, 12 U.S.C. § 2901, et seq., and the OTS regulations thereunder at 12 C.F.R. Part 563e. In addition, the OTS has considered a digest by the OTS Central Regional Office, an analysis prepared by Corporate Activities, and a legal opinion issued by the Business Transactions Division. Based on the foregoing statutes, regulations, and materials, the OTS has determined that the proposed transaction would be in compliance with all of the applicable standards and criteria, provided the conditions set forth below are satisfied. Accordingly, the Applications are hereby approved, provided that the following conditions are complied with in a manner satisfactory to the Central Regional Director, or his designee ("Regional Director"):

1. The Savings Bank and the State Bank shall receive all required regulatory approvals prior to consummation of the proposed transactions with copies of all such approvals supplied to the OTS Central Regional Office;
2. The proposed transactions shall be consummated no later than 120 calendar days from the date of this Order;
3. On the business day prior to the date of consummation of the proposed transactions, the chief financial officers of the Savings Bank and the State Bank shall certify to the Regional Director, in writing, that no material adverse events or material adverse changes have occurred with respect to the financial condition or operations of the Savings Bank and the State Bank, respectively, since the

date of the financial statements submitted with the Applications;

4. No later than five calendar days from the date of consummation of the acquisition of the State Bank, the Savings Bank shall file with the Regional Director a certification by legal counsel stating the effective date of the acquisition, the exact number of shares of stock of the State Bank acquired and that the acquisition has been consummated in accordance with the provisions of all applicable laws and regulations, the Applications, the Agreement and Plan of Reorganization, and this Order; and

5. The Savings Bank and the State Bank shall be operated as separate legal entities so that: (1) their respective accounts and records are not intermingled; (2) each observes the procedural formalities of separate legal entities; (3) each is held out to the public as a separate enterprise; and (4) neither dominates the other to the extent that one is treated as a mere department of the other.

6. If any solicitations are sent to the Savings Bank's depositors to close their deposit accounts in the Savings Bank and/or to open deposit accounts in State Bank, the depositors of Savings Bank must be provided disclosure (in a form approved by the OTS Regional Director) of the potential loss of (i) their priority stock subscription rights under the applicable mutual-to-stock conversion regulations in the event of a conversion of the Savings Bank to stock form, or (ii) any proceeds that would be available to depositors in the event of a voluntary dissolution of Savings Bank in accordance with regulations of the OTS.

7. All dividends payments and distributions in connection with a voluntary dissolution by Savings Bank will be subject to OTS approval and payments to management that the OTS deems abusive may be prohibited as unsafe and unsound practices.

Any time period specified herein may be extended by the 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 August 29, 1996.

  
John F. Downey  
Executive Director, Supervision