

OFFICE OF THRIFT SUPERVISION
APPROVAL OF MERGER APPLICATION AND
RELATED APPLICATION

ORDER NO.: 96-92

DATE: September 12, 1996

Trenton Savings Bank FSB, Lawrenceville, New Jersey (the "Thrift"), a Federally chartered stock savings bank insured by the Bank Insurance Fund ("BIF"), and a subsidiary of Peoples Bancorp, M.H.C., (the "Mutual Holding Company") Trenton, New Jersey, has applied to the Office of Thrift Supervision ("OTS") for approval under 12 U.S.C. Sections 1828(c), 1467a(o) and (s) and 12 C.F.R. Sections 563.22 and 522.13 to acquire, via merger, Burlington County Bank, Burlington, New Jersey ("Bank"); and under section 5(n) of HOLA and the OTS' Trust Regulations, 12 C.F.R. Part 550, to continue the trust operations currently performed by the Bank.

The OTS has considered the Applications under the factors set forth in 12 U.S.C. Sections 1828(c), 1467a(o) and (s), and 12 C.F.R. Sections 552.13, 563.22 and 12 C.F.R. Part 550. The OTS has considered the Thrift's performance under the Community Reinvestment Act ("CRA") and the OTS regulations promulgated thereunder, 12 C.F.R. Part 563e. In addition, the OTS has considered a digest, dated August 12, 1996, prepared by the OTS Northeast Regional Office, an analysis by Corporate Activities dated September 9, 1996, and a legal opinion dated September 6, 1996 prepared by the Business Transactions Division.

The OTS has determined that the Applications satisfy all applicable statutory and regulatory criteria, provided that the conditions set forth below are satisfied. Accordingly, the Applications are hereby approved, provided that each of the following conditions is complied with in a manner satisfactory to the Northeast Regional Director ("Regional Director"):

1. The Thrift and the Bank must receive all required regulatory and shareholder approvals prior to consummation of the proposed transaction with copies of all approvals supplied to the OTS Northeast Regional Office;

2. The proposed transaction shall be consummated in accordance with the Agreement of Merger, dated February 29, 1996, no earlier than 15 calendar days and no later than 120 calendar days after the date of this order unless an extension of time is granted for good cause by the Regional Director;

3. On the business day prior to the date of consummation of the proposed transaction, the chief financial officers of the Thrift and the 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 Thrift or the Bank, since the date of the financial statements submitted with the Applications;

4. No later than 5 calendar days from the date of consummation of the proposed transaction, the Mutual Holding Company and the Thrift shall file with the Regional Director, a certification by legal counsel stating the effective date of the proposed transaction and that the proposed transaction has been consummated in accordance with the provisions of all applicable laws and regulations, the Applications, the Agreement of Merger and this Order;

5. Within 30 calendar days after the effective date of the proposed transaction, the Thrift must submit evidence to the Northeast Regional Office that it has advised, in writing, each accountholder, whose withdrawable accounts exceed \$100,000 as a result of the acquisition, of the effect of the transaction on their deposit insurance coverage;

6. That all investments and activities which are prohibited by the Home Owners' Loan Act of 1933 are disposed of, or discontinued, at the earliest possible date, within two (2) years from the date of merger, unless an extension for good cause is granted by the Northeast Regional Director; and

7. That the Thrift shall immediately make all applicable capital deductions resulting from such prohibited investments or activities pursuant to 12 C.F.R. Part 567 of the OTS' Capital Regulations.

Any time period specified herein relating to any of the Applications may be extended by the Northeast 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 September 12, 1996 .


John F. Downey
Executive Director, Supervision