

OFFICE OF THRIFT SUPERVISION

Approval of Acquisition of a Federal Savings Bank

Order No.: 99-38

Date: June 30, 1999

United Payors & United Providers, Inc., Rockville, Maryland (the "Company") and Independent Divestment Trust (the "Trust") have applied to the Office of Thrift Supervision ("OTS") to acquire Baltimore American Savings Bank, Baltimore, Maryland (the "Savings Bank"), a federal stock savings bank, pursuant to 12 U.S.C. § 1467a(e) and 12 C.F.R. § 574.3.

The OTS has considered the holding company application under the standards set forth in 12 U.S.C. § 1467a(e) 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, 12 C.F.R. Part 563e. In addition, the OTS has considered the digest by the OTS Southeast Regional Office, a legal opinion by the Business Transactions Division, and an analysis by the Office of Examination and Supervision (collectively, the "Staff Memoranda"). For the reasons set forth in the Staff Memoranda, the OTS has determined that the holding company application satisfies all applicable statutory and regulatory criteria, provided that the conditions set forth below are satisfied. Accordingly, the holding company application is hereby approved, subject to the following conditions:

1. The Company must receive all required regulatory approvals prior to consummation of the proposed transaction with copies of all such approvals provided to the Southeast Regional Office;
2. Prior to consummation of the proposed transaction, the chief financial officer of the Company and the Savings Bank must certify in writing to the Southeast Regional Director that no material or adverse changes have occurred with respect to the financial condition or operation of the Company, the Savings Bank and the Savings Bank's current holding company, Quantum Financial Holdings, Inc., (the "Holding Company") as disclosed in the applications;
3. The proposed transaction must be consummated within one hundred and twenty (120) calendar days from the date of this Order or within such additional period as the Southeast Regional Director, or his designee, may grant;

4. The Company must file with the Southeast Regional Office within five (5) calendar days after the effective date of the proposed transaction a certification: (a) of the effective date of the proposed transaction; (b) of the exact number of shares of the Holding Company acquired by the Company, and (c) that the transaction was consummated in accordance with all applicable laws and regulations, the applications and this Order;

5. The Savings Bank's Year 2000 efforts must comply with the terms, milestone dates, requirements and conditions contained in the Year 2000 guidance issued by the OTS and/or the Federal Financial Institutions Examination Council;

6. Any tax sharing agreement to be entered into between the Company and the Savings Bank must receive the prior written approval of the Regional Director;

7. The Company must submit a revised business plan for the Savings Bank to the Regional Director for review within six months of consummation of the transaction;

8. During the first year after consummation of the transaction, the Trust must provide the Regional Director with quarterly reports which describe all transfers of Trust shares from the Trust. Such reports must include the date of each transaction, the number of shares sold, the price per share paid to the Trust, and whether the Trust Shares were retained by Mr. Blair or sold to a second party. After the one year anniversary of consummation, the reports must be filed with the Regional Director semi-annually;

9. Prior to consummation of the proposed acquisition, the Trust must amend its agreement pursuant to which Thomas Blair must purchase the Company's common stock from the Trust to reflect the interest rate pricing mechanism as described in the Company's letter to the OTS dated May 12, 1999. The Trust must make any necessary conforming changes to agreements between the Trust and Principal Health Care, Inc. regarding the sale of such stock; and

10. The Savings Bank has 90 days from the date of consummation of the transaction to meet the following requirements: (a) at least 40 percent of the Savings Bank's board of directors must be individuals who are not officers or employees of the Applicant or its affiliates; (b) at least 50 percent of the membership of the Savings Bank's audit and investment committees must be Savings Bank directors who are not officers or employees of the Applicant or its affiliates or of the Savings Bank or its subsidiaries; and (c) at least one of Savings Bank's directors must be an individual who is not an officer or employee of Savings Bank, and is not an officer, director, or employee of the Applicant, or any affiliate thereof.

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 Director of the Office of Thrift Supervision, or her designee, effective

June 30, 1999.

A handwritten signature in black ink, appearing to read "Scott M. Albinson", written over a horizontal line.

Scott M. Albinson
Managing Director