

OFFICE OF THRIFT SUPERVISION

Approval of Holding Company Application

Order No.: 2002-62
Date: December 13, 2002
Docket Nos.: H-3892 and 08070

Ameritas Life Insurance Corporation, Lincoln, Nebraska (Holding Company), has filed an application with the Office of Thrift Supervision (OTS) to acquire control of Acacia Federal Savings Bank, Falls Church, Virginia (Savings Bank), under § 10(e) of the Home Owners' Loan Act (HOLA), 12 U.S.C. § 1467a(e), and 12 C.F.R. § 574.3 (Application).

Holding Company Application

In the proposed transaction, the Holding Company would acquire newly issued shares of the Savings Bank's common stock. The Holding Company's parent holding companies are registered savings and loan holding companies that currently hold all of the Savings Bank's common stock. After the transaction, the Holding Company would hold 15.12 percent of the Savings Bank's common stock, and affiliates would hold the remaining 84.88 percent. Accordingly, the transaction requires OTS approval under Section 10(e) of the HOLA and under 12 C.F.R. Part 574 (Control Regulations).

Section 10(e)(1)(B) of the HOLA and the Control Regulations provide that OTS must approve a holding company application seeking permission to acquire one savings association by a company other than a savings and loan holding company unless OTS finds the financial and managerial resources and future prospects of the company and association involved to be such that the acquisition would be detrimental to the savings association or to the insurance risk of the Savings Association Insurance Fund (SAIF). Consideration of the managerial resources of a company or savings association must include consideration of the competence, experience, and integrity of the officers, directors, and principal shareholders of the company or savings association. Also, OTS must consider the impact of any acquisition on competition. Further, 12 C.F.R. § 563e.29(a) requires that OTS take into account assessments under the Community Reinvestment Act (CRA) when approving savings and loan holding company acquisitions.

With respect to managerial resources, OTS, as the Savings Bank's regulator, is familiar with the Savings Bank's management, and has concluded that the Savings Bank's managerial resources are consistent with approval. In addition, OTS has

considered the competence, experience and integrity of the Holding Company's management, and concludes that the Holding Company's managerial resources are consistent with approval.

With respect to financial resources, OTS has considered the financial condition and operations of the Savings Bank and the Holding Company; the financial statements for the Savings Bank and the Holding Company; and the Savings Bank's business plan, and concludes that the financial resources of the Savings Bank and the Holding Companies are consistent with approval.

With respect to future prospects, OTS has considered the financial and managerial resources of the Savings Bank and the Holding Company, financial statements for the Savings Bank and the Holding Company, and the Savings Bank's business plan, and concludes that the future prospects of the Savings Bank and the Holding Company and any insurance risk to the SAIF are consistent with approval, provided that the Savings Bank and the Holding Company comply with the conditions set forth below.

The proposed acquisition will not cause the Savings Bank to become affiliated with any other operating depository institution. Accordingly, OTS concludes that the transaction is not objectionable on anti-competitive grounds.

As for the CRA, at the most recent CRA examination, the Savings Bank received a CRA rating of Satisfactory. The Holding Company has no CRA experience, and OTS does not attribute the CRA performance of affiliates to newly formed entities. OTS has received no comments from the public objecting to the proposed transaction. Accordingly, OTS concludes that approval of the proposed acquisition of the Savings Bank by the Holding Company is consistent with the CRA.

Conclusions

Based on the foregoing analysis, OTS concludes that the Application meets the applicable approval criteria and the Application is hereby approved, provided that the following conditions are complied with in a manner satisfactory to the OTS Southeast Regional Director, or his designee (Regional Director):

1. The Holding Company and the Savings Bank must receive all required regulatory approvals and shareholder approvals prior to consummation of the proposed transaction with copies of all such approvals provided to the Regional Director;
2. The proposed transaction must be consummated within 120 calendar days from the date of this Order;
3. On the business day prior to the date of consummation of the proposed transaction, the chief financial officers of the Holding Company and the Savings Bank must certify in writing to the Regional Director that no material adverse changes have

occurred with respect to the financial condition or operation of the respective entities as disclosed in the Application. If additional information having an adverse bearing on any feature of the Application is brought to the attention of the Holding Company, the Savings Bank, or OTS since the date of the financial statements submitted with the Application, the transaction must not be consummated unless the information is presented to the Regional Director, and the Regional Director provides written non-objection to consummation of the transaction; and

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

Any time period set forth herein may be extended for up to 120 calendar days, for good cause, by the Regional Director.

By order of the Director of the Office of Thrift Supervision, or his designee,
effective December 13, 2002.



Scott M. Albinson
Managing Director
Office of Supervision