

OFFICE OF THRIFT SUPERVISION

FORM MHC-1

NOTICE OF MUTUAL HOLDING COMPANY REORGANIZATION

PAPERWORK REDUCTION ACT STATEMENT

The Office of Thrift Supervision (OTS) will use the information specified in this form to review requests from savings associations to conduct mutual holding company reorganizations. The collection of information is mandatory pursuant to, *inter alia*, 12 U.S.C. § 1467a(o) and 12 C.F.R. Part 575. The public reporting burden for this collection of information is estimated to average 400 hours per response, including the time for reviewing instructions, searching existing data, and completing and reviewing the collection of information. If a valid OMB Control Number does not appear on this form, you are not required to complete this form. Send comments regarding this burden estimate or any other aspect of the collection of information, including suggestions for reducing this burden, to the Office of Thrift Supervision, Corporate & International Activities, 1700 G Street, N.W., Washington, D.C. 20552; and the Office of Management and Budget, Paperwork Reduction Project (7100-0340), Washington, D.C. 20503.

INTRODUCTORY NOTE

The information requested in this form will be utilized by the OTS to review proposed mutual holding company reorganizations pursuant to 12 U.S.C. § 1467a(o) and 12 C.F.R. Part 575 (mutual holding company reorganizations), plus certain other statutory and regulatory provisions applicable to such reorganizations. 12 U.S.C. § 1828(c) and 12 C.F.R. § 563.22 (the Bank Merger Act and related regulations); 12 U.S.C. § 2900 et seq. and 12 C.F.R. Part 563e (the Community Reinvestment Act and related regulations); 12 U.S.C. § 3200 et seq. and 12 C.F.R. Part 563f (the Depository Institution Management Interlocks Act and related regulations); and in some cases, 12 U.S.C. § 1464(e), and 12 C.F.R. §§ 552.2-1 and 552.2-2 (statutory and regulatory provisions governing the chartering of federal stock savings associations).

OFFICE OF THRIFT SUPERVISION

FORM MHC-1

Name of Reorganizing Association

Street Address of the Reorganizing Association (include City, State, and Zip Code)

Name of Any Acquiree Association

Street Address of the Acquiree Association (include City, State, and Zip Code)

Date of Notice

Name, address, and phone number of contact person for the Notice

Item 1 Form of Notice.

Provide the names and titles of the officers and directors signing this Notice below their signatures. Bracketed language should be included only if applicable.

The undersigned hereby give notice that _____ (the “Reorganizing Association”) intends to reorganize to become a mutual holding company [and, immediately upon becoming a mutual holding company, intends to acquire _____ (the “Acquiree Association”)]. In connection therewith, the Reorganizing Association [and the Acquiree Association] hereby submits[s] a Reorganization Plan and such other information and exhibits as are required by Form MHC-1.

In submitting this Notice, the Reorganizing Association [and the Acquiree Association] understand[s] and agree[s] that, if further examinations or appraisals, or both, are required by the Office of Thrift Supervision (OTS), they will be conducted by, or as approved by, the OTS at the expense of the Reorganizing Association [or Acquiree Association, as the case may be], and the Reorganization Association or Acquiree Association will pay the cost thereof as computed by the OTS.

This Notice has been approved by at least a majority of the board of directors of the Reorganizing Association [and a majority of the board of directors of the Acquiree Association]. By filing this Notice, the Reorganizing Association [and the Acquiree Association] by its [their] duly authorized representative[s], the undersigned officers, represent that the Notice does not make any untrue statement of material fact or omit to state any material facts. In addition, each undersigned officer individually represents that: (A) he or she has read this Notice; and (B) he or she has made such examination and

investigation as is necessary to enable him or her to express an informed opinion that the Notice does not make any untrue statement of material facts or omit to state any material facts.

Name of Reorganizing Association _____

By: Duly Authorized Representative _____

Principal Executive Officer _____

Principal Financial Officer _____

Principal Accounting Officer _____

Insert a signature line for each Director

Director, for _____

Director, for _____

Director, for _____

Director, for _____

Name of Acquiree Association: _____

By: Duly Authorized Representative: _____

Principal Executive Officer: _____

Principal Financial Officer: _____

Principal Accounting Officer: _____

Director, for _____

Director, for _____

Director, for _____

Director, for _____

Item 2: Reorganization Plan.

Furnish the complete formal Reorganization Plan adopted by the boards of directors of the Reorganizing Association and any Acquiree Association. The Plan should contain the information specified in 12 C.F.R. § 575.6. The terms of the Plan submitted pursuant to this Item will be a basis for action by the OTS and the Plan will be distributed as an attachment to the proxy statement(s) and any offering circular(s) utilized in connection with the reorganization.

Item 3: Proxy statement(s) and proxy(ies).

Furnish copies of the proxy statement and proxy proposed to be circulated to members of the Reorganizing Association for approval of the Reorganization Plan. If the Reorganization Plan involves an Acquiree Association, also submit preliminary copies of the proxy statement and proxy proposed to be circulated to members of the Acquiree Association. The proxy statement(s) and proxy(ies) should contain the information specified in 12 C.F.R. § 575.13(a). In many instances, a proxy statement containing the information required in a “short-form” proxy statement for traditional conversions, 12 C.F.R. § 563b.6(c)(2)(iv), may satisfy the foregoing standard, except that full disclosure regarding management remuneration and any changes in management remuneration will be required. In instances where such disclosure is adequate, institutions will not be required to prepare a more detailed proxy statement for distribution upon request by members, as ordinarily required in traditional conversions under 12 C.F.R. § 563b.6(c)(2)(i). (The Reorganizing Association and any Acquiree Association should ensure that, among other things, the proxy statement provides full disclosure regarding: (i) potential benefits to insiders and their associates as a result of reorganization; and (ii) plans to offer minority stock.

Item 4: Stock offering by subsidiary savings association.

If the Reorganization Plan calls for the resulting association and/or the Acquiree Association to issue stock to any person other than the mutual holding company in connection with the reorganization, submit an application on Form MHC-2 for each proposed issuance. Any information required by Form MHC-2 that is duplicative information provided in this Notice may be cross-referenced, rather than restated.

Item 5: Management.

- (a) Provide a listing of (i) the current boards of directors and executive officers of the Reorganizing Association and any Acquiree Association; (ii) the proposed board of directors and executive officers of the mutual holding company; and (iii) the proposed boards of directors and executive officers of the resulting association and any Acquiree Association. If any of the persons listed is not a current director or executive officer of the Reorganizing Association or the Acquiree Association, describe the business and educational background of such person. A prior conduct certificate RB 20a should be submitted by each person listed in response to clauses (ii) and (iii) above.
- (b) Describe any increase in compensation, or any new or amended contract, that is contemplated for any director or management official in connection with the reorganization.
- (c) If the resulting association is to be federally chartered, each person who will be a director of the resulting association should execute a director's oath in the form prescribed by the OTS.
- (d) If any person who is to be a management official of the mutual holding company or any of its savings association subsidiaries is also a management official of or controls a depository organization not affiliated with the mutual holding company, state the name of the person and the name of the other depository organization, and provide sufficient information to

demonstrate that there will be no violation of 12 C.F.R. § 584.9(b) and 12 C.F.R. Part 563.f.

Item 6: Business plan.

- (a) Submit a business plan for the proposed mutual holding company, the resulting association, and any Acquiree Association. The business plan shall include, without limitation, a complete description of operations, investments, and financial projections for each such entity for the first three (3) years after the reorganization, and shall describe how the proceeds of any stock issuance will be deployed, and shall explain the extent to which the conversion will affect the convenience and needs of the communities to be served by the MHC and the resulting association. The plan shall specify the assumptions upon which the projections are based.
- (b) Describe what procedures will be put in place to ensure that expenses properly allocable to the mutual holding company (e.g., employee compensation, accounting, holding company filings, taxes) are in fact paid by the mutual holding company, rather than its savings association subsidiaries.

Item 7: Capitalization.

Describe the proposed capitalization of the mutual holding company, including the specific assets proposed to be contributed by the Reorganization Association and any Acquiree Association. In addition, set forth computations of: (A) the level of core capital, tangible capital and risk-based capital that the Reorganizing Association and any Acquiree Association were required to maintain pursuant to 12 C.F.R. Part 567 as of the most recent practicable date; (B) the amount of each Association's "fully phased-in capital requirements" as of that date; (C) the actual level of core capital, tangible capital and risk-based capital of each Association as of that date; and (D) the maximum amount of capital that may be distributed pursuant to 12 C.F.R. 563 Subpart E as of that date. Also set forth each of the foregoing computations (except computation D) on a pro forma basis after giving effect to the proposed reorganization. Finally, state whether the Reorganizing Association or Acquiree Association has submitted a capital plan pursuant to 12 C.F.R. § 567.10, the date of approval of any such plan and whether the Association is operating in compliance with the plan.

Item 8: Charters and bylaws.

State whether the charter and bylaws of the mutual holding company (and, if the resulting association or any Acquiree Association is seeking a federal charter, the charter and bylaws set forth in 12 C.F.R. § 575.9 and 12 C.F.R. Part 552 as modified by charters and bylaws that are submitted pursuant to Exhibit 2(b) hereof highlight any deviations from the model charters and bylaws.

Item 9: Sequence and timing of the Reorganization Plan.

Set forth the expected chronological order of the events connected with the Reorganization Plan beginning with the filing of this Notice through completion of any proposed acquisition by the mutual holding company and/or sale of stock by the resulting association or any Acquiree Association. Indicate the expected timing of any requisite approvals by regulatory authorities other than the OTS and the proposed timing of all aspects of any stock offering(s).

Item 10: Accounting and expenses.

- (a) Describe how the reorganization will be accounted for under Generally Accepted Accounting Principles.
- (b) Provide in the tabular form indicated below the estimated expense of the reorganization to the Reorganizing Association and to any Acquiree Association. Expenses for the Reorganizing Association and any Acquiree Association should be broken out separately.

Legal: _____

Postage and mailing: _____

Printing: _____

Escrow or agent fees: _____

Underwriting fees: _____

Appraisal fees: _____

Transfer agent fees: _____

Auditing and accounting expenses _____

Proxy solicitation fees _____

Advertising: _____

Other expenses: _____

TOTAL: _____

Instructions:

1. The table may exclude costs represented by salaries and wages of regular employees and officers, if a statement to that effect is made.
2. Do not include under the heading "Other expenses" any category of expense exceeding \$10,000. Such expenses should be listed separately under an additional heading.

Item 11: Convenience and needs of the community.

Describe any increase or decrease in services that will be made available to the community by the Reorganizing Association or any Acquiree Association as a result of, or in connection with, the reorganization. Also state whether the Community Reinvestment Act ("CRA") Statement of the Reorganizing Association or any Acquiree Association will be modified in any respect in connection with the reorganization. Provide copies of all public comment letters regarding the CRA performance of the Reorganizing Association or any Acquiree Association that have been Reorganizing Association or any Acquiree Association that have been received since the OTS's last examination of such association.

Item 12: Related acquisition.

If the Reorganization Plan involves any Acquiree Association, submit any acquisition and merger application required pursuant to 12 C.F.R. Parts 546 and 574 and 12 C.F.R. §§ 552.13 and 563.22, and if a federal interim savings association will be utilized in connection with such acquisition, submit an application for permission to organize an interim federal savings association. Any information required to be included in the foregoing applications that is duplicative information provided in this Notice may be cross-referenced, than restated.

Item 13: Indemnification.

State the general effect of any charter provisions, bylaw, contract, arrangement, statute, or regulation to be in effect during or after the reorganization under which any underwriter, appraiser, lawyer, accountant, or expert, or director or officer of the Reorganizing Association, the mutual holding company, the resulting association or any Acquiree Association will be insured or indemnified in any manner against any liability that he or she may incur in his or her capacity as such.

Exhibits

The following exhibits shall be attached to this Form:

Exhibit 1: Resolution of the boards of directors:

- (a) Set forth a certified copy of resolutions adopted by a majority of the board of directors of the Reorganizing Association: (i) adopting the Reorganization Plan filed with this Notice, and (ii) authorizing the filing of this Notice.
- (b) If the Reorganization Plan involves any Acquiree Association, submit a certified copy of resolutions adopted by a majority of the board of directors of the Acquiree Association: (i) approving the Reorganization Plan, and (ii) authorizing the filing of this Notice.

Exhibit 2: Copies of document.

Furnish the following documents:

- (a) The Plan of Reorganization (which, among other things, should provide for transfer of the assets and liabilities of the Reorganizing Association to the resulting association).
- (b) Proposed stock certificates and any other securities to be issued, and proposed orders and forms.
- (c) Proposed charters and bylaws of the mutual holding company, the resulting association, and any Acquiree Association and the existing charters and bylaws of the Reorganizing Association and any Acquiree Association.
- (d) Any existing or proposed management employment contracts or contracts with directors.

- (e) Any contract described in the proxy statement of either the Reorganizing Association or any Acquiree Association pursuant to Item 6 of Form PS 12 C.F.R. § 563b.101.
- (f) Contracts or agreements with paid solicitors described in the proxy statement of either the Reorganizing Association or any Acquiree Association pursuant to Item 3(b) of Form PS 12 C.F.R. § 563b.101.
- (g) Any material loan agreements relating to borrowings by the Reorganizing Association and any Acquiree Association other than from a Federal Home Loan Bank and other than subordinated debt securities approved by the OTS.
- (h) Any documents referred to in response to Item 13 (Indemnification).
- (i) Any trustee agreements or indentures.

Documents that are furnished in proposed form pursuant to the foregoing shall be furnished in final form immediately after the meeting(s) of members of the Reorganizing Association and any Acquiree Association to consider the Reorganization Plan, except for documents which by their nature cannot be practically expected until a later time, in which case they shall be furnished in substantially final form.

Exhibit 3: Opinion of counsel.

Furnish an opinion of counsel for the Reorganizing Association and for any Acquiree and for any Acquiree Association regarding the following matters:

- (a) The legal sufficiency of the proposed certificates and order forms for any securities to be issued in connection with the reorganization.
- (b) The legal sufficiency of the Reorganization Plan and Reorganization Agreement to achieve transfer of the assets and liabilities of the Reorganizing Association to the resulting association.
- (c) If either the resulting association or any Acquiree Association will be state chartered, the state law requirements applicable to the reorganization, including citations to applicable state law and a statement regarding whether such requirements will be fulfilled by the reorganization.
- (d) If either the resulting association or any Acquiree Association will be state chartered, the legal sufficiency of the proposed bylaws of such association.
- (e) A certification that the proposed charter and bylaws of the mutual holding company conform to 12 C.F.R. Part 575 and, if the resulting association or any Acquiree Association is seeking a federal charter, that the proposed charter(s) and bylaws of the (those) association(s) conform to 12 C.F.R. Part 552 (as modified by 12 C.F.R. § 575.9), or if not, a statement to that effect. Counsel to any Acquiree Association need not opine on matters regarding the Reorganizing Association, and counsel to the Reorganizing Association need not opine on matters regarding the Acquiree Association.

Exhibit 4: Federal and state tax opinions and rulings.

- (a) Furnish an opinion of the tax advisor of the Reorganizing Association and any Acquiree Association or a ruling from the Internal Revenue Service as to the federal income tax consequences of the Reorganization Plan to the mutual holding company, the resulting association and any Acquiree Association and to the members of the Reorganizing

Association and any Acquiree Association. (The OTS recommends that a ruling be obtained from the Internal Revenue Service regarding the federal income tax consequences of the Reorganization Plan. The OTS may require that such a ruling be obtained if the Plan is not substantially similar to Plans that have received favorable rulings. The OTS may also require that such a ruling be obtained if the Plan contains novel provisions or there is otherwise a question as to the federal income tax consequences of the Plan.)

- (b) Furnish an opinion of the tax advisor of the Reorganizing Association and any Acquiree Association, or, if applicable, a ruling from the appropriate state taxing authority, regarding any tax consequences of the Reorganization Plan to the mutual holding company, the resulting association and any Acquiree Association and to the members of the Reorganizing Association and any Acquiree Association under the laws of the state in which the Reorganizing Association and any Acquiree Association have their home offices.

Exhibit 5: Required regulatory agreements.

Furnish any regulatory capital dividend limitation and/or merger agreement required by the OTS.

Exhibit 6: Consents.

- (a) If any accountant, attorney, investment banker, appraiser or other person whose profession gives authority to a statement made in the Notice or any document filed in connection with the Notice is named as having prepared, reviewed, passed upon or certified any part thereof, or any report or valuation for use in connection therewith, the written consent of such person shall be included under the Exhibit 6. If any portion of a report of an expert is quoted or summarized as such in the Notice or any document filed in connection therewith, the written consent of the expert shall expressly state consents to such quotation or summarization.
- (b) If any person who has not signed the Notice is named in the proxy statement or the Reorganizing Association or any Acquiree Association as about to become a director, the written consent of such person shall be submitted.

Exhibit 7: Applications to other agencies.

Submit copies of any other applications or notices filed by the Reorganizing Association or any Acquiree Association with any other governmental agency in connection with the proposed reorganization.