



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM  
WASHINGTON, DC 20551

November 16, 2015

Frank C. Bonaventure Jr., Esq.  
Ober, Kaler, Grimes & Shriver  
100 Light Street  
Baltimore, Maryland 21202

Dear Mr. Bonaventure:

This is in response to the request by SFSB, Inc. (“SFSB”), Bel Air, Maryland, a federally chartered savings and loan holding company, former parent of Slavia Federal Savings Bank and the majority-owned subsidiary of Slavia Bancorp, MHC, Bel Air, Maryland, to dissolve, terminate its corporate existence, and cancel its federal charter pending approval of the dissolution plan by SFSB’s shareholders, pursuant to section 239.16(b) of the Board’s Regulation MM.<sup>1</sup>

SFSB seeks Board approval of its dissolution plan. Section 239.16 provides that the Board will approve a dissolution plan if the dissolution is advisable and the plan is best for all concerned.<sup>2</sup> The Board has reviewed the proposed dissolution, the plan, and the representation made by SFSB that the dissolution plan is best for all concerned, and has approved SFSB’s dissolution plan.

Pursuant to section 239.16(b), after the dissolution plan has been approved by the Board, it must be submitted to and approved by the company’s shareholders. Section 239.26(b) and SFSB’s bylaws require prior notice of a shareholder meeting to each shareholder in person or by mail.<sup>3</sup> SFSB seeks the Board’s prior approval to amend its bylaws pursuant to section 239.23(b)<sup>4</sup> and permission to provide notice to

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<sup>1</sup> 12 CFR 239.16.

<sup>2</sup> See 12 CFR 239.16(b).

<sup>3</sup> See 12 CFR 239.26(b).

<sup>4</sup> 12 CFR 239.23(b).

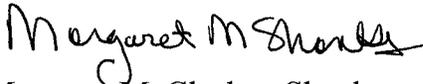
shareholders by publication in newspapers of general circulation instead of by mail or in person. SFSB asserts that it has no remaining assets and is unable to pay the costs of notifying shareholders by mail and that it lacks the resources to provide in-person notice.

You have represented that SFSB intends to publish notice of the shareholder meeting for two successive weeks at least 20 days but not more than 50 days prior to the shareholder meeting in two newspapers of general circulation in the area in which SFSB maintained its main office.<sup>5</sup> To do so, SFSB requested a waiver of the requirement in section 239.26(b) of Regulation MM to provide notice of a shareholder meeting by mail or in person and sought approval to amend its bylaws. Section 239.1(c) permits the Board to waive any provision of Regulation MM for good cause shown.<sup>6</sup> Given the facts and circumstances in this case, the Board believes good cause for the waiver exists and has granted SFSB's request to waive the requirement in section 239.26(b). The Board has also approved SFSB's request to amend its bylaws pursuant to section 239.23(b) to permit prior notice of a shareholder meeting by publication in newspapers of general circulation.

In approving SFSB's proposed dissolution plan, request to waive a requirement of Regulation MM, and request to amend its bylaws, the Board has considered all of the facts of record and relied on all the representations made by SFSB and its representatives to the Board. These representations are conditions imposed in writing and, as such, may be enforced under applicable provisions of law.

After dissolution in accordance with the plan, a certificate evidencing dissolution, supported by such evidence as the Board may require, shall be filed with the Board. The termination and cancellation of corporate existence would subsequently be made effective by a letter from the Office of the Secretary of the Board.

Very truly yours,

  
Margaret McCloskey Shanks  
Deputy Secretary of the Board

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<sup>5</sup> The Board also would publish notice of the shareholder meeting in the Federal Register.

<sup>6</sup> 12 CFR 239.1(c).