

JOINT AGREEMENT

The Office of Thrift Supervision (OTS) as the primary Federal regulator, supervises state and federally chartered insured thrift institutions and charters federal thrift institutions. The Federal Deposit Insurance Corporation (FDIC) is the federal insurer of deposits and has certain back up supervisory responsibilities over insured thrift institutions. This agreement by the OTS and FDIC, hereinafter referred to collectively as the "Agencies", is designed to promote communication and coordination between the Agencies to ensure that each agency can effectively and efficiently carry out its supervisory and/or insurance responsibilities. Set forth below are general operating guidelines:

Exchange of Information

1. The Agencies agree to exchange information necessary to carry out their respective responsibilities and to maintain the confidentiality of such information.
2. The Agencies agree to make available to each other (possibly with a charge for actual and reasonable expenses) access to their automated databases to the extent necessary for each Agency to carry out its statutory responsibilities.
3. A copy of reports of examination (including special or targeted examinations, visitations, or similar reports), enforcement actions and significant correspondence related to the supervision or insurance of thrift institutions or their affiliates shall be provided to the other Agency in a timely manner. Such materials and other relevant files and correspondence shall also be available for inspection and use by appropriate representatives of both Agencies.
4. OTS will promptly provide FDIC copies of all notices of proposed changes of control of insured thrifts and will give the FDIC an opportunity to comment on the proposal.
5. The Agencies agree to implement procedures to notify each other in a timely manner of the acceptance of any application that will require a review or action by both Agencies. The Agencies further agree to coordinate investigations of those applications as appropriate.

6. **OTS will routinely notify the FDIC of its schedule for all examinations of insured thrift institutions and their affiliates and will solicit FDIC participation in the examinations of those thrifts where FDIC insurance action is likely in the next year. The FDIC will likewise routinely notify the OTS of its desire to join in any OTS examination or to conduct additional examinations for insurance purposes. OTS will be given a reasonable opportunity to join in any such additional examination conducted by the FDIC. Each Agency will strive to coordinate their examinations in order to avoid inappropriate duplication and unnecessary burden on the thrift institutions. The Agencies also agree to notify and encourage state regulatory participation and/or coordination of examinations of state chartered insured thrift institutions.**

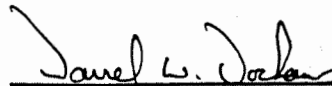
7. **OTS, as primary Federal regulator, will conduct its examinations using its methodology, policies, report of examination and workpapers. To the extent that the FDIC joins in OTS examinations they may prepare additional reports or information determined appropriate by the FDIC, copies of which will be shared with the OTS. To the extent the FDIC conducts additional examinations of insured thrifts for insurance purposes, whether or not joined by the OTS, they may be conducted using the FDIC's methodology, policies, report of examination and workpapers. The findings of any such additional examination will be provided promptly to the OTS so that it can pursue any necessary corrective action with the thrift institution.**

8. **OTS will invite appropriate representatives from the FDIC to attend scheduled meetings with the board of directors and exit reviews with management to discuss enforcement actions or significant examination findings. The FDIC will notify and coordinate with appropriate representatives of the OTS if they intend to meet with an insured thrift institution to discuss supervisory matters whether as part of an examination or not such that the OTS will be present as the primary Federal regulatory and be able to direct/discuss the appropriate corrective action needed by the thrift institution. When the FDIC determines that enforcement action is required, they will provide OTS with the statutory notice including reasons why such an action is warranted and will work cooperatively with the OTS in its deliberations on whether to take such enforcement action.**

9. OTS will notify and provide the FDIC a reasonable time for comment when it contemplates enforcement action against an insured savings association. If the OTS determines that an immediate enforcement action is necessary, it will not be precluded from taking such action so long as it has notified the FDIC. Copies of all enforcement documents will be shared.
10. The Agencies agree to cooperate in any administrative hearings process involving insured thrift institutions, including providing documents and personnel as necessary.

The Agencies agree that efficiency is paramount to carry out the purposes of this agreement and their respective responsibilities under the law. Accordingly, every effort will be made to exchange information, coordinate supervisory activity and resolve differences at the regional/district level reserving policy and matters of national importance to the Washington level.


Paul G. Fritts 10-10-89


Darrel W. Dochow