



Resolution Trust Corporation

September 28, 1989

Dear Prospective Bidder:

During the week of September 10, 1989, the RTC notified you [certain parties] that it was beginning the resolution process for ten large savings associations. Included among the group of early resolutions were the following five savings associations:

- o Freedom Savings and Loan Association, Tampa, Florida
- o Hill Financial Savings Association, Red Hill, Pennsylvania
- o Pacific Savings Bank, Costa Mesa, California
- o Peoples Heritage Savings, A Federal Savings and Loan Association, Salina, Kansas
- o University Federal Savings Association, Houston, Texas

The RTC's expedited case resolution process for these five institutions included the goal of consummation of transactions for as many of the five as possible over the September 30 weekend. The RTC Board of Directors on September 27, adopted capital requirements for newly formed state chartered nonmember banks and thrifts created as a result of RTC transactions, postponed the acceptance of bids due that day and reopened marketing to qualified bidders on the above five savings associations.

In addition to reopening marketing, the RTC Board of Directors directed its staff to notify all prospective bidders of the new policies as outlined in the enclosed press release. As indicated, the capital requirements for each financial institution interested in bidding on RTC's savings institutions are the domain of the primary Federal and State regulatory authorities. Each prospective bidder should discuss its capital plans with its respective primary Federal and State regulator and the FDIC if the transactions contemplate newly chartered thrifts or state nonmember banks requiring deposit insurance.

If you or your institution wish to pursue an assisted acquisition of any of the five institutions named herein, complete one copy of the enclosed Confidentiality Agreement for each institution you wish to pursue. Unless previously sent, please return it/them to the "Express Mail" address or by using the facsimile (FAX) numbers given below. If faxed, Confidentiality Agreements with original signatures should be mailed subsequently to the regular mail address, also below. In any case, we ask your assistance by completing the enclosed "Investor Interest Form" and returning it by FAX to the RTC.

On Tuesday, October 3, the RTC will meet with all prospective bidders who have returned completed Confidentiality Agreements in the past, or as a result of this communication. The meeting is scheduled to begin at 11:00 AM and will be held in the Amphitheater (Basement Level) of the RTC Building located at 801 17th Street, NW. Packages containing information about the institutions and draft assistance agreements will be provided to all parties returning Confidentiality Agreements whom are deemed pre-qualified. In the case of individuals, investor groups, non-depository institutions or corporations RTC will make a preliminary judgement on qualifications subject to subsequent concurrence by the chartering and insurance authorities.

If you have any questions, please contact J. Richard Earle at (202) 416-4316.

Sincerely,

Sherwin R. Koopmans  
Deputy Director, Resolutions

Enclosures

"Express Mail or Courier"  
Resolution Trust Corporation  
:Attention: RTC Marketing List  
J. Richard Earle  
801 17th Street, NW (4th Floor)  
Washington, D.C. 20006

"Regular Mail"  
Resolution Trust Corporation  
Attention: RTC Marketing List  
J. Richard Earle  
550 17th Street, NW  
Washington, D.C. 20429

FAX Numbers: 202-898-1850  
202-898-1851  
202-898-1852

INVESTOR INTEREST FORM

Name of Bidder: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

We are interested/remain interested in pursuing an assisted acquisition of (please check all that apply):

- \_\_\_\_\_ Freedom Savings and Loan Association
- \_\_\_\_\_ Hill Financial Savings Association
- \_\_\_\_\_ Pacific Savings Bank
- \_\_\_\_\_ Peoples Heritage Savings, A Federal Savings and Loan Association
- \_\_\_\_\_ University Federal Savings Association

We wish to perform due diligence/additional due diligence at:

- \_\_\_\_\_ Freedom Savings and Loan Association
- \_\_\_\_\_ Hill Financial Savings Association
- \_\_\_\_\_ Pacific Savings Bank
- \_\_\_\_\_ Peoples Heritage Savings, A Federal Savings and Loan Association
- \_\_\_\_\_ University Federal Savings Association

We are not interested in any of the five institutions (please check \_\_\_\_\_)

Please return by FAX by October 2 to 202-898-1850, 202-898-1851, or 202-898-1852.

CONFIDENTIALITY AGREEMENT

Agreement of Potential Acquiror

The undersigned hereby acknowledges that it desires to receive an information package and may conduct due diligence review of

\_\_\_\_\_, (Name of Insured Institution)

\_\_\_\_\_, \_\_\_\_\_  
(City) (State)

(the "Insured Institution"), in order to evaluate a possible acquisition of the Insured Institution by the undersigned in its own right and not as an agent, representative or broker for or on behalf of an undisclosed party or parties.

Upon receipt of any financial or operational information regarding the above referenced institution, the undersigned hereby acknowledges and agrees to be bound by the restrictions set forth herein:

1. On-Premises Review and Reproduction of Documents.

All documents and other items made available to the undersigned by the Insured Institution, the Resolution Trust Corporation ("RTC") as conservator of the Insured Institution or the Federal Deposit Insurance Corporation (the "FDIC") as managing agent for the conservator, other than those in the information package, may only be reviewed by the undersigned on the Insured Institution's premises. No reproductions of such documents, other than handwritten summaries or notes and self-generated computer



records, may be made by the undersigned.

2. Information Package

The RTC or FDIC may provide an information package containing operational or financial information about the insured institution. The undersigned agrees that such information package is the property of RTC and is not to be used for any purpose other than to assist the undersigned in the proposal process. The information package may be disseminated to employees, organizations, and other persons associated with the undersigned engaged to assist the undersigned in the proposal process. However, prior to dissemination the undersigned agrees and affirmatively covenants to make the provisions of this agreement known to any person, organization and employee and to obtain from such the commitment to maintain the confidentiality of the information package in accordance with the terms of this agreement.

3. Briefing and Disclosure Requirement.

At any time after 30 days have passed since the completion of any review and on request of the FDIC or RTC, the undersigned will make available to FDIC or RTC at a reasonable time and in a reasonable manner the persons who conducted any review for the purpose of briefing FDIC or RTC, which briefing may include

discussion and disclosure of any data, charts, graphs, summaries, memoranda or conclusions drawn from or based upon the documents made available to the undersigned (any information of any kind provided by the undersigned, whether orally or in writing, is herein called the "Undersigned's Information"). Such briefing will be used by FDIC or RTC for internal informational purposes only. The undersigned shall not in any event be required to disclose or make available opinions, privileged communications, or information relating to the internal bidding policies, guidelines or decisions of the undersigned.

4. Destruction of Documents and Information.

The undersigned further hereby acknowledges and agrees that all the documents and information provided to the undersigned including the information package, all memoranda, notes, computer records and other writings prepared by the undersigned based on the information in these documents and copies made of any of the foregoing will be destroyed by the undersigned if it is determined that no proposal is to be made by the undersigned, or if any proposal submitted by the undersigned is not accepted with respect to the Insured Institution. On request of the FDIC or RTC, such destruction shall be certified in writing to the FDIC or RTC by an authorized officer of the undersigned.

5. Restriction on Use of Documents and Information/Exceptions.

The undersigned also hereby acknowledges and agrees that the documents and information referred to herein made available and any other material related to this potential acquisition provided by the Insured Institution, RTC or the FDIC to the undersigned, are to be used in its decision to make a bid and for no other purposes, that the information contained therein will be kept confidential and disclosed only to the partners, directors, officers, agents, advisors and employees of the undersigned who are working on, or consulted in connection with, the proposed acquisition, that all such persons to whom such information is disclosed shall be advised of the restrictions contained herein, and that it shall undertake all necessary steps to ensure that these restrictions are followed. Such restrictions shall not apply to information which (i) is already in the undersigned's possession, provided that such information is not known by the undersigned to be subject to another confidentiality agreement with or other obligation of secrecy to the FDIC, RTC or another party, or (ii) is or becomes generally available to the public other than as a result of a disclosure by the undersigned or its partners, directors, officers, employees, shareholders, co-investors, agents, representatives or advisors, or (iii) becomes available to the undersigned on a non-confidential basis from a source other than the FDIC or RTC, provided that such source is not known by the undersigned to be bound by a confidentiality agreement with or other obligation of secrecy to the FDIC, RTC or

another party. If, in the opinion of the undersigned's counsel, any disclosure otherwise prohibited by this paragraph is required by law or court order, the undersigned shall, prior to any such disclosure, advise and consult with the FDIC and RTC and their counsel concerning the reasons for, and nature of, the proposed disclosures.

6. No Warranties or Representations.

The undersigned hereby acknowledges and agrees that the FDIC and RTC make no representations or warranties, express, implied or otherwise, as to the accuracy or completeness of any documents made available to the undersigned whether such documents have been prepared by the FDIC, RTC or the Insured Institution or any other party.

The undersigned further hereby acknowledges and agrees that it shall not rely nor allow or advise any other party to rely through the undersigned, upon the work product, memoranda, statements, opinions, representations, factual or historical summaries or disclosures of any kind of any employee, accountant, officer, attorney, agent, representative or advisor, made known to it by the FDIC or RTC, whether through discussions with any such person or through review of any FDIC, RTC or Insured Institution's files, pleadings or documents, whether supplied by the FDIC, RTC or another party.



7. Disclosure of Affiliations.

The undersigned agrees that should it submit a proposal to acquire the Insured Institution, the undersigned will disclose all affiliations which the undersigned, an affiliate, subsidiary, employee or agent of the undersigned has, or in the past five years had, with the Insured Institution. For the purposes of this paragraph, affiliation shall include, but not necessarily be limited to situations where the undersigned:

- a) Holds or held an equity interest in the Insured Institution;
- b) Has or had an indebtedness, line of credit or loan commitment, including letters of credit;
- c) Is or was employed or acted as agent, broker or advisor to the Insured Institution or any other similar arrangement.

The undersigned agrees to submit such information, in writing, as part of its proposal to acquire the Insured Institution.

Date: \_\_\_\_\_

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Name**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Organization**

\_\_\_\_\_  
**Phone Number**

\_\_\_\_\_  
**FAX Number**