

OFFICE OF THRIFT SUPERVISION

Approval of Organization and Acquisition of a Federal  
De Novo Stock Savings Bank

Order No.: 97-106

Date: October 9, 1997

Central Bancshares, Inc., Lexington, Kentucky (the "Holding Company"), has applied to the Office of Thrift Supervision ("OTS") to organize a Federal stock savings bank to be known as Central Bank, FSB, Nicholasville, Kentucky (the "Institution"), pursuant to 12 U.S.C. § 1464(e) and 12 C.F.R. §§ 543.3 and 552.2-1 thereunder.

The OTS has considered the permission to organize application under the standards set forth at 12 U.S.C. § 1464(e), and at 12 C.F.R. §§ 543.3 and 552.2-1 and under the Community Reinvestment Act, 12 U.S.C. § 2901 et seq., and the OTS regulations thereunder, 12 C.F.R. Part 563e. In addition, the OTS has considered a digest from the Central Regional Office, an opinion from the Business Transactions Division and an analysis from Corporate Activities. Based on its review, the OTS has determined that the permission to organize application satisfies all applicable statutory and regulatory criteria, provided that the following conditions are complied with in a manner satisfactory to the Central Regional Director, or his designee (the "Regional Director"). Accordingly, the permission to organize application is hereby approved, subject to the following conditions:

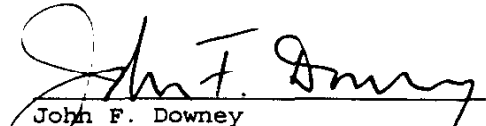
1. The proposed transaction must be completed no later than 120 days from the date of this Order;
2. The Holding Company and the Institution must receive all required regulatory approvals prior to establishment of the Institution with copies of all such approvals provided to the Regional Director;
3. On the business day prior to the date the Institution opens for business, the Chief Financial Officers of the Holding Company and the Institution shall certify in writing to the Regional Director that no material adverse changes have occurred with respect to the information currently before the OTS, including but not limited to directors, shareholders, or the business plan; and provided further, that no additional information having an adverse bearing on any feature of the application exists;
4. The Institution must advise the Regional Director in writing within 10 calendar days after the effective date of the proposed transaction;  
(a) of the effective date of the proposed transaction and of the Institution's insurance of accounts and (b) that the transaction was consummated in accordance with all applicable laws and regulations, the permission to organize application and this Order;

5. The Institution shall submit independent audit reports to the Regional Office for its first three fiscal years. These reports shall be in compliance with the audit rules set forth in 12 C.F.R. Section 562.4; and

6. The Institution shall provide for employment of senior executive officers who shall be charged with full administrative and material responsibilities of the Institution under policies established by its board of directors. The performance of such individuals will be periodically reviewed and their continued employment will be subject to the approval of the Regional Director for a period of three years.

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

By order of the Acting Director of the Office of Thrift Supervision, or his designee, effective October 9, 1997.

  
John F. Downey  
Executive Director, Supervision