

OFFICE OF THRIFT SUPERVISION

Approval of Acquisition of a BIF-Insured Institution

Order No.: 97-42

Date: April 30, 1997

Glendale Federal Bank, Federal Savings Bank, Glendale, California (the "Thrift"), a federally chartered savings bank insured by the Savings Association Insurance Fund, has applied to the Office of Thrift Supervision ("OTS") under 12 U.S.C. §§ 1467a(s), 1815(d)(3) and 1828(c) and 12 C.F.R. §§ 552.13 and 563.22 to acquire TransWorld Bank, Sherman Oaks, California (the "Bank"), a commercial bank insured by the Bank Insurance Fund.

The transaction between the Thrift and the Bank will be consummated in accordance with 12 U.S.C. §§ 1467a(s), 1815(d)(3) and 1828(c) and 12 C.F.R. §§ 552.13 and 563.22 whereby the Thrift will directly acquire the Bank by merger. The Thrift will pay premiums to the Bank Insurance fund on deposits acquired from the Bank.

The OTS has considered the factors set forth in all applicable statutes and regulations, including the Community Reinvestment Act, 12 U.S.C. § 2901, et seq., and the OTS Regulations thereunder at 12 C.F.R. Part 563e. In addition, the OTS has considered a digest dated March 21, 1997, from the OTS West Regional Office, an analysis prepared by Corporate Activities, and a legal opinion, dated April 24, 1997, issued by the Business Transactions Division. Based on the foregoing statutes, regulations and materials, the OTS has determined that the proposed transaction would be in compliance with all of the standards and criteria therein. Accordingly, the application is hereby approved, provided the following conditions are complied with in a manner satisfactory to the West Regional Director, or his designee ("Regional Director"):

1. The proposed transaction shall be consummated in accordance with the Plan of Merger, dated November 1, 1996, and no earlier than 15 calendar days and no later than 120 calendar days after the date of this approval order, unless an extension is granted for good cause by the Regional Director;
2. All required regulatory and shareholder approvals shall be received prior to consummation of the transaction with copies of all such approvals supplied to the Regional Director;
3. On the business day prior to the date of consummation of the proposed transaction, the chief executive officers of the Thrift and the Bank shall certify in writing to the Regional Director that no material adverse events or material adverse changes have occurred with respect to the financial condition or operations of the Thrift or the Bank since the date of the financial statements submitted with the application;

4. No later than 5 calendar days after the date of consummation of the proposed transaction, the Thrift shall file with the Regional Director a certification of legal counsel stating: (i) the effective date of the transaction and (ii) that the transaction was consummated in accordance with the provisions of all applicable laws and regulations, the application and this approval order;
5. Not later than 30 calendar days following the date of consummation, the Thrift shall submit evidence that it has advised, in writing, each accountholder whose withdrawable accounts in the Thrift will exceed \$100,000 as a result of the effect of the transaction on their deposit insurance coverage; and
6. No later than 30 days after the end of each calendar quarter, the Thrift shall submit a status report, in a form acceptable to the Regional Director, detailing: (a) the results of its various lending products, programs and initiatives; and (b) its progress in improving its overall lending record and increasing the levels of its lending to low- and moderate-income and minority individuals and communities.

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

By order of the Director of the Office of Thrift Supervision, or his designee, effective April 30, 1997.



John F. Downey  
Director of Supervision