

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION
The
BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM AND
THE OFFICE OF THE COMPTROLLER OF THE CURRENCY

In the Matter of:

LEOPOLD HAROLD GREIF, a/k/a
LEE H. GREIF

Former Director and Chairman
of:

The Pioneer Savings and Loan
Association and Pioneer
Financial Corporation
Prairie Village, Kansas;

Midland Bank of Overland Park, N.A.
(f/k/a College Boulevard
National Bank) and Concord
Bancshares, Inc.
Overland Park, Kansas;

Midland Bank of Lenexa
(f/k/a Country Hill Bank) and
Country Hill Bancshares, Inc.
Lenexa, Kansas;

Midland Bank of Kansas
(f/k/a Tower State Bank) and
TIC, Inc.
Mission, Kansas; and,

Midland Bank and
Midland Bancor, Inc.
Kansas City, Missouri

OTS Resolution No.: KC-92-27
FRB Docket No.: 92-088-B-I
92-088-E-I
OCC Docket No.: AA-EC-92-159
Date: September 4, 1992

STIPULATION AND CONSENT TO ENTRY OF
ORDERS PURSUANT TO 12 U.S.C. §§1818 (b) AND (e)

The Office of Thrift Supervision ("OTS"), the Board of
Governors of the Federal Reserve System ("FRB"), the Comptroller of
the Currency ("OCC"), and the Federal Deposit Insurance Corporation

("FDIC") (hereinafter collectively referred to as the "FEDERAL BANKING AGENCIES"), by and through their authorized representatives, and Leopold Harold Greif, a/k/a Lee H. Greif ("GREIF"), a former director and chairman of:

- (a) The Pioneer Savings and Loan Association, Prairie Village, Kansas ("Pioneer") and Pioneer Financial Corporation, the holding company of Pioneer;
- (b) Midland Bank of Overland Park, N.A. ("Midland-OP") (f/k/a College Boulevard National Bank) and Concord Bancshares, Inc., the holding company of Midland-OP;
- (c) Midland Bank of Lenexa, ("Midland-Lenexa") (f/k/a Country Hill Bank) and Country Hill Bancshares, Inc., the holding company of Midland-Lenexa;
- (d) Midland Bank of Kansas ("Midland-KS") (f/k/a Tower State Bank) and TIC, Inc., the holding company of Midland-KS; and,
- (e) Midland Bank ("Midland") and Midland Bancor, Inc., the holding company of Midland,

hereby stipulate and agree as follows:

1. Consideration. The OTS and the FRB, based upon information reported to them and gathered during the course of OTS's formal examination, are of the opinion that grounds exist to initiate administrative cease and desist and prohibition proceedings against GREIF pursuant to Sections 8(b) and (e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C.A. §§ 1818(b) and (e) (West 1989 and Supp. 1992). GREIF desires to cooperate with

the FEDERAL BANKING AGENCIES and to avoid the time and expense of such administrative cease and desist and prohibition litigation and, without admitting or denying that such grounds exist, hereby stipulates and agrees to the following terms in consideration of the forbearance by the FEDERAL BANKING AGENCIES, individually and collectively, from initiating any civil or administrative proceedings against GREIF with respect to the transactions outlined in paragraph number 3 hereof. GREIF, without trial or findings of fact pursuant to an administrative hearing, has consented to the terms of this Stipulation and Consent to Entry of Orders Pursuant to 12 U.S.C. §§1818 (b) & (e) ("Stipulation").

This Stipulation, the Consent Orders attached hereto ("Orders") and the payment by GREIF of any monies or providing any other financial relief as contemplated by the Orders, are intended and issued as a settlement and resolution of all claims of the FEDERAL BANKING AGENCIES against GREIF relating only to the transactions specifically described in paragraph number 3 of this Stipulation, and are not intended to, nor shall they be construed to have the effect of compromising, settling, dismissing, resolving, or in any way limiting or affecting the right or authority of any other federal or state governmental or administrative agency or department, or conservator or receiver, to initiate or pursue any other action, civil or otherwise, against GREIF. Further, this Stipulation and the Orders, and the payment by GREIF of any monies or providing any other financial relief as contemplated by the Orders are not intended to, nor shall they be construed to have the effect of, compromising, settling,

dismissing, resolving, or in any way limiting the right or authority of the FEDERAL BANKING AGENCIES, acting individually or collectively, from initiating or pursuing any other action, civil or otherwise, against GREIP for his or any of his affiliates' conduct, acts or omissions with respect to matters or transactions not specifically outlined in paragraph number 3 of this Stipulation.

2. Jurisdiction.

(a) Pioneer is:

(1) a "savings association" within the meaning of Section 3 of the FDIA, 12 U.S.C.A. § 1813(b) (West 1989 & Supp. 1992), and Section 2 of the Home Owners' Loan Act ("HOLA"), 12 U.S.C.A. § 1462(4) (West Supp. 1992); and,

(2) an "insured depository institution", as that term is defined in Section 3(c) of the FDIA, as amended by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, Pub. L. No. 101-73, 103 Stat. 183 ("FIRREA"), 12 U.S.C.A. § 1813(c) (West 1989 & Supp. 1992).

(b) Midland Bank of Overland Park, N.A. (f/k/a/ College Boulevard) is:

(1) a "Member Bank", within the meaning of Federal Reserve Act, 12 U.S.C.A. § 221 (West 1989 & Supp. 1992);

(2) a "National Bank" within the meaning of the National Bank Act of 1864, 12 U.S.C.A. § 37 (West Supp. 1992); and,

(3) an "insured depository institution", as that term is defined in Section 3(c) of the FDIA, 12 U.S.C.A. § 1813(c).

(c) Midland Bank of Lenexa (f/k/a Country Hill Bank) is:

(1) a "Member Bank", within the meaning of Federal Reserve Act, 12 U.S.C.A. § 221, as amended;

(2) a "State Bank", within the meaning of the Section 3 of the FDIA, 12 U.S.C.A. § 1813(a), chartered under the laws of the State of Kansas; and,

(3) an "insured depository institution", as that term is defined in Section 3(c) of the FDIA, 12 U.S.C.A. § 1813(c).

(d) Midland Bank of Kansas (f/k/a Tower State Bank) is:

(1) a "State Bank", within the meaning of the Section 3 of the FDIA, 12 U.S.C.A. § 1813(a); and,

(2) an "insured depository institution", as that term is defined in Section 3(c) of the FDIA, 12 U.S.C.A. § 1813(c).

(e) Midland Bank is:

(1) a "State Bank", within the meaning of the Section 3 of the FDIA, 12 U.S.C.A. § 1813(a), as amended; and,

(2) an "insured depository institution", as that term is defined in Section 3(c) of the FDIA, 12 U.S.C.A. § 1813(c).

(f) Concord Bancshares, Inc., Country Hill Bancshares, Inc., TIC, Inc. and Midland Bancor, Inc. are "bank holding compan[ies]" as that term is defined in Section 2(a) of the Bank Holding Company Act of 1956, as amended, 12 U.S.C.A. §1841(a).

(g) Until August 9, 1989, the accounts of Pioneer were insured by the Federal Savings and Loan Insurance Corporation ("FSLIC") pursuant to Section 403(b) of the National Housing Act ("NHA"), 12 U.S.C.A § 1726(b) (West 1988), by reason of which it was an "insured institution" within the meaning of the NHA.

(h) As of August 9, 1989, pursuant to the provisions of FIRREA, the insurance of the accounts of Pioneer was transferred to the FDIC.

(i) Until August 9, 1989, the Federal Home Loan Bank Board ("FHLBB"), as operating head of the FSLIC, was the regulatory agency with jurisdiction over Pioneer, its officers, directors and persons participating in the conduct of its affairs, including GREIF, pursuant to Sections 403 and 407 of the NHA, 12 U.S.C.A. §§ 1726 and 1730.

(j) At all relevant times hereto, GREIF was a director and chairman of Pioneer, Midland Bank of Overland Park, N.A. (f/k/a/ College Boulevard), Midland Bank of Lenexa (f/k/a Country Hill Bank), Midland Bank of Kansas (f/k/a Tower State Bank), Midland Bank, and their holding companies, and an "institution-affiliated party" of each, as that term is defined in Sections 3(u) and 8(b)(3) of the FDIA, 12 U.S.C.A. § 1813(u) and §1818(b)(3).

(k) Pursuant to Section 3 of the FDIA:

(1) the OTS is the "appropriate Federal banking agency" to maintain an enforcement proceeding against the officers, directors or other institution-affiliated parties of Pioneer, including GREIF;

(2) the OCC is the "appropriate Federal banking agency" to maintain an enforcement proceeding against the officers, directors or other institution-affiliated parties of Midland Bank of Overland Park, N.A. (f/k/a/ College Boulevard), including GREIF;

(3) the FRB is the "appropriate Federal banking agency" to maintain an enforcement proceeding against the officers, directors or other institution-affiliated parties of Midland Bank of Lenexa (f/k/a Country Hill Bank), Concord Bancshares, Inc., Country Hill Bancshares, Inc., TIC, Inc., and Midland Bancor, Inc., including GREIF;

(4) the FDIC is the "appropriate Federal banking agency" to maintain an enforcement proceeding against the officers, directors or other institution-affiliated parties of Midland Bank of Kansas (f/k/a Tower State Bank) and/or Midland Bank, including GREIF.

(1) GREIF is subject to the authority of each of these FEDERAL BANKING AGENCIES to initiate and maintain cease and desist and/or prohibition proceedings against him pursuant to Sections 8(b) and (e) of the FDIA, 12 U.S.C.A. §§ 1818(b) and (e).

3. Pertinent Allegations. Based upon information reported to them and gathered during the course of OTS's formal examination concerning Pioneer, the OTS and FRB have reviewed certain loans originated by Pioneer and related loans at Midland Bank of Overland Park, N.A., Midland Bank and Midland Bank of Lenexa and, as described herein, are of the opinion that GREIF caused or brought about the GREIF-affiliated institutions' violation of Federal statutes and/or regulations. The OTS and FRB, as described herein, further are of the opinion that GREIF's participation and involvement in each of the four loan transactions, described below, and Pioneer's payment of bonuses to certain officers (other than GREIF), constituted conflicts of interest and unsafe or unsound

practices, and resulted in significant loss to one or more of the GREIF-affiliated financial institutions. The OTS and, in regards to the allegations set forth in paragraph 3(d) hereof, the FRB, are of the opinion that:

(a) THE FREEPORT CENTER LOAN

In September 1985, GREIF and a business partner (hereinafter "Partner One") sold an apartment complex located in Kansas City, Missouri, that they owned in partnership. Thereafter, Partner One negotiated the purchase of a warehouse complex, the Freeport Center in Phoenix, Arizona, and ostensibly purchased such property in his individual capacity. Pioneer (with GREIF voting for approval) originated a \$6.135 million loan to finance the acquisition.

After holding the property for approximately sixty days, and while it was still subject to the Pioneer debt (one day prior to refinancing at another unaffiliated institution), Partner One conveyed it to the original GREIF/Partner One partnership.

During these loans and other transactions, GREIF (although disclosing to at least one member of Pioneer's board of directors) failed to disclose his business relationships with Partner One to the entire Pioneer board of directors.

The OTS is of the opinion that GREIF's above-described acts and omissions, although not resulting in the recognition of loss to Pioneer as of the date of issuance of the Orders, caused or brought about knowing or reckless violations of OTS regulations concerning conflicts of interest and constituted unsafe or unsound practices.

(b) THE MISSION ROAD APARTMENTS LOAN

In 1983, a Kansas general partnership that included GREIF and two other partners (hereinafter "Partners Two and Three") acquired the Mission Road Apartments located in Kansas City, Kansas. On August 13, 1985, such partnership deeded the apartments to Partner Two without any consideration. On August 14, 1985, Partner Two sold the apartments to an unaffiliated buyer. This sale was financed by a \$2 million loan from Pioneer (with GREIF voting for approval) and the carry back of a second mortgage by Partner Two.

In April 1987, after the buyer defaulted on the loans, Pioneer (with GREIF voting for approval) agreed to conveyance of the property back to Partner Two, authorized Partner Two's assumption of the Pioneer loan, and increased the loan balance to \$2.19 million.

In August 1987, while the \$2.19 million Pioneer loan was outstanding, GREIF and Partner Three contributed \$150,000 to the partnership for the operation of the apartments. Despite this infusion of capital, the loan continued to deteriorate and later became subject to criticism by OTS examiners.

On May 25, 1988, Pioneer (with GREIF voting for approval) originated an additional \$250,000 loan to Partner Two to continue funding the operation and maintenance of, and for improvements to, the Mission Road Apartments. Thereafter, Partner Two paid \$50,000 to GREIF from the Pioneer loan proceeds ostensibly for unrelated business purposes.

On October 30, 1989, and then in January 1990, Partner Two and Partner Two's company, respectively, borrowed funds from an unaffiliated commercial bank to refinance the Mission Road Apartments loan. On January 22, 1990, these loan proceeds and other funds obtained from GREIF-affiliated banks were used to extinguish the Pioneer debt. Shortly thereafter, in February 1990, one of Partner Two's companies, a multi-million dollar borrower from Pioneer, withdrew \$660,000 from its deposit account at Pioneer and remitted a check in that amount to the unaffiliated commercial bank to pay off the October 1989 loan. The October 1989 loan had previously been purchased by GREIF from the unaffiliated commercial bank.

During these loans and other transactions, GREIF (although disclosing his prior ownership of the Mission Road Apartments to at least one member of Pioneer's board of directors) failed to disclose to the entire Pioneer board of directors his business relationships with Partner Two, his purchase of the October 1989 loan, and his receipt of certain loan proceeds from Partner Two.

The OTS is of the opinion that GREIF's above-described acts and omissions, although not resulting in the recognition of loss to Pioneer, caused or brought about knowing or reckless violations of OTS regulations concerning conflicts of interest and constituted unsafe or unsound practices.

(c) THE WICHITA HOLIDAY INN EAST HOTEL LOAN

On March 5, 1987, Pioneer originated (with GREIF voting for approval), an \$8 million loan to a Missouri corporation to finance such corporation's acquisition of the Wichita Holiday Inn East

Hotel in Wichita, Kansas. Only \$4.5 million of the loan proceeds were used to purchase the hotel; \$2.5 million was wired to a second financial institution to the account of a Kansas corporation, and \$1 million was wired to a third financial institution also to the account of such Kansas corporation. The \$8 million Pioneer loan was guaranteed by several persons and entities, including such Kansas corporation.

On the same day, GREIF personally executed an agreement for the sale of two Wisconsin hotels that he owned to the same Kansas corporation. As earnest money for this agreement, the Kansas corporation agreed to post a \$1 million irrevocable letter of credit (LOC) for GREIF's benefit. The Kansas corporation used the above-mentioned \$1 million of proceeds from the \$8 million Pioneer loan as collateral to obtain the LOC.

During these loans and other transactions, GREIF failed to disclose to the Pioneer board of directors his business relationships with the Kansas corporation, and that he was negotiating the sale of personal assets to the Kansas corporation, and further failed to inquire concerning the source of the funds that the Kansas corporation would use to collateralize the LOC.

The OTS is of the opinion that GREIF's above-described acts and omissions, although not resulting in the recognition of loss to the GREIF-affiliated financial institutions as of the date of issuance of the Orders, caused or brought about knowing or reckless violations of OTS regulations concerning conflicts of interest and constituted unsafe or unsound practices.

(d) THE CANDLETREE APARTMENT LOANS

In April 1986, GREIF purchased the Candletree Apartments located in Blue Springs, Missouri. On October 6, 1987, GREIF deeded the Candletree Apartments to a Kansas corporation owned by a substantial borrower at Pioneer. At about the same time, Pioneer (with GREIF voting for approval) originated a \$5.4 million loan to finance the Kansas corporation's acquisition of such apartments from GREIF. The \$5.4 million Pioneer loan proceeds were used to pay off (at a \$650,000 discount) certain prior mortgages, including non-recourse financing held by GREIF, and a \$1.2 million debt personally owed by GREIF to another financial institution.

A few weeks thereafter, the above-mentioned Kansas corporation conveyed the Candletree Apartments to an unaffiliated Kansas limited partnership. Pioneer (with GREIF voting for approval) financed the acquisition with a \$4.78 million loan.

Approximately 18 months thereafter, at a time when the Kansas limited partnership was in financial difficulty, the Kansas limited partnership conveyed the Candletree Apartments to an unaffiliated Missouri corporation. College Boulevard National Bank (n/k/a Midland - O.P.) (with GREIF voting for approval) financed the acquisition with a \$6 million loan, or 100% financing.

Subsequently, Midland - O.P. and other GREIF-affiliated banks that had purchased participation interests in the loan, recognized losses on the loan aggregating \$2,735,857.37.

During these loans and other transactions, GREIF (although disclosing his prior ownership interest in Candletree Apartments to at least one member of Pioneer's board of directors) failed to

disclose to the entire Pioneer board of directors his business relationships with the substantial borrower at Pioneer, his prior ownership interest in Candletree Apartments, and the use of Pioneer's \$5.4 million loan proceeds to pay off his prior mortgages on such apartments.

The OTS and FRB are of the opinion that GREIF's above-described acts and omissions caused or brought about knowing or reckless violations of OTS regulations concerning loans to affiliated persons and conflicts of interest, and constituted unsafe or unsound practices.

(e) PAYMENT OF BONUSSES TO PIONEER OFFICERS

On December 19, 1990, Pioneer's board of directors (including GREIF) approved an aggregate increase in Pioneer's compensation budget to its officers. Responsibility for the allocation of the increase was left to the sole discretion of GREIF. He allocated bonuses to two officers (other than GREIF) in the amount of \$100,000 and \$50,000, respectively. In January 1991, the bonuses were irrevocably distributed to the recipients. The bonuses were paid at a time in which Pioneer was severely undercapitalized and had incurred \$3 million in net losses for the year.

The OTS is of the opinion that GREIF'S participation in the decision to increase the aggregate compensation of the Pioneer officers (at a time when Pioneer was failing all three of its capital requirements and had incurred \$3 million in net losses for the year), and his active participation in the allocation of bonuses to the senior officers, constituted unsafe or unsound practices in conducting the affairs of Pioneer.

4. Consent. Without admitting or denying the allegations contained in paragraph number 3 of this Stipulation, GREIF consents to the issuance by the OTS and FRB of the accompanying Orders. He further agrees to comply with its terms upon issuance and stipulates that the Orders comply with all requirements of law.

5. Enforcement. If it becomes necessary to seek judicial enforcement of the Orders, or either of them, GREIF hereby stipulates that:

(a) each of the FEDERAL BANKING AGENCIES shall be considered an "appropriate federal banking agency" empowered, pursuant to Section 8(i) of the FDIA, 12 U.S.C.A. § 1818(i), to seek such enforcement of the Order; and,

(b) each and every one of the FEDERAL BANKING AGENCIES may seek enforcement of such provisions of the Orders as may be applicable to an "insured depository institution" regulated by it, including such institutions deemed to be an "insured depository institution" pursuant to Sections 8(b)(3) and (4) of the FDIA, 12 U.S.C.A. §§ 1818(b)(3) and (4).

6. Finality. The Orders are issued under Sections 8(b) and (e) of the FDIA, 12 U.S.C.A. §§ 1818(b) and (e). Upon their issuance by the OTS and FRB, the Orders shall be final orders, effective and fully enforceable by the FEDERAL BANKING AGENCIES under the provisions of Section 8(i) of the FDIA, 12 U.S.C.A. § 1818(i), or otherwise under the provisions of Section 8(j) of the FDIA, 12 U.S.C.A. § 1818(j).

7. Waiver. GREIF hereby waives:

(a) all rights to a notice of charges for a cease and desist order and a notice of intention to prohibit, including the right to an administrative hearing provided by Sections 8(b) and (e) of the FDIA, 12 U.S.C.A. §§ 1818(b) and (e);

(b) all rights to seek judicial review of the Orders, including any such right provided by Section 8(h) of the FDIA, 12 U.S.C.A. § 1818(h);

(c) all rights in any way to challenge the validity of the Orders; and

(d) any and all claims against the FEDERAL BANKING AGENCIES for fees or expenses related to the Orders, whether arising under common law or under the Equal Access to Justice Act, 5 U.S.C.A. § 504 and 28 U.S.C.A. § 2412.

WHEREFORE, in consideration of the foregoing and intending to be legally bound hereby, the OTS, OCC, FDIC and FRB, by and through their authorized representatives, and GREIF execute this Stipulation and Consent to Entry of Orders Pursuant to 12 U.S.C. §§ 1818(b) & (e).

THE OFFICE OF THRIFT SUPERVISION

By: Frederick W. Casteel
Interim Regional Director
Midwest Regional Office

Geopold Harold Greif

THE COMPTROLLER OF THE CURRENCY

By:

/S/

Clifton A. Poole, Jr.
Acting Senior Deputy Comptroller
Bank Supervision Operations

/S/

Leopold Harold Greif

THE BOARD OF GOVERNORS OF
THE FEDERAL RESERVE SYSTEM

By:

/S/

William Wiles
Secretary to the Board

/S/

Leopold Harold Greif

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION
The

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM AND
THE OFFICE OF THE COMPTROLLER OF THE CURRENCY

In the Matter of:)
)
 LEOPOLD HAROLD GREIF, a/k/a)
 LEE H. GREIF)
)
 Former Director and Chairman)
 of:)
)
 The Pioneer Savings and Loan)
 Association and Pioneer)
 Financial Corporation)
 Prairie Village, Kansas;)
)
 Midland Bank of Overland Park, N.A.)
)
 (f/k/a College Boulevard)
 National Bank) and Concord)
 Bancshares, Inc.)
 Overland Park, Kansas;)
)
 Midland Bank of Lenexa)
 (f/k/a Country Hill Bank) and)
 Country Hill Bancshares, Inc.)
 Lenexa, Kansas;)
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 Midland Bank of Kansas)
 (f/k/a Tower State Bank) and)
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 Mission, Kansas; and,)
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 Midland Bancor, Inc.)
 Kansas City, Missouri)
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OTS Resolution No.: KC-92-27
 FRB Docket No.: 92-088-B-I
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 OCC Docket No.: AA-EC-92-159
 Date: September 4, 1992

ORDERS ISSUED PURSUANT TO
12 U.S.C. §§ 1818 (b) & (e)

WHEREAS, Leopold Harold Greif, a/k/a Lee H. Greif ("GREIF")
 has executed a Stipulation and Consent to Entry of Orders Pursuant
 to 12 U.S.C. §§ 1818 (b) & (e) ("Stipulation"), which is accepted
 and approved by the Office of Thrift Supervision ("OTS"), the Board

of Governors of the Federal Reserve System ("FRB"), the Comptroller of the Currency ("OCC"), and the Federal Deposit Insurance Corporation ("FDIC"), acting through their authorized representatives (collectively, the "FEDERAL BANKING AGENCIES"); and

WHEREAS, GREIF, in the Stipulation has consented and agreed to the issuance of these Orders pursuant to Sections 8(b) and 8(e) of the Federal Deposit Insurance Act ("FDIA"), as amended by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, Pub. L. No. 101-73, 103 Stat. 183 ("FIRREA"), 12 U.S.C.A. §§ 1818(b) and (e) (West 1989 & Supp. 1992);

NOW THEREFORE, IT IS ORDERED pursuant to Sections 8(b) and 8(e) of the FDIA, 12 U.S.C.A. §§ 1818(b) and (e), that:

1. GREIF is prohibited from further participation, in any manner, in the conduct of the affairs of The Pioneer Savings and Loan Association, Prairie Village, Kansas, ("Pioneer") and Midland Bank of Lenexa (f/k/a Country Hill Bank), Lenexa, Kansas, their holding companies and service corporation(s).

2. Without the prior written approval of the OTS and the FRB, and, if appropriate, another Federal financial institutions regulatory agency, GREIF may not hold any office, or participate in any manner, in the conduct of the affairs of any institution(s) or other entity as set forth in Section 8(e)(7)(A) of the FDIA, as amended by FIRREA, 12 U.S.C.A. § 1818(e)(7)(A) (West 1989 & Supp. 1992), hereafter referred to as a "Covered Institution". Pursuant to Section 8(e)(6) of the FDIA, as amended by FIRREA, 12 U.S.C.A. § 1818(e)(6) (West 1989 & Supp. 1992), conduct prohibited by this

Order includes, inter alia, the solicitation, the transfer or exercise of any voting rights with respect to any securities issued by any insured depository institution.

3. Notwithstanding the provisions of paragraphs 1 and 2 of these Orders, GREIF may, without any additional written approvals from the OTS or FRB, engage in the following activities:

- (a) be a customer, as a depositor or borrower, of a Covered Institution;
- (b) continue to own the stock, as the controlling shareholder, of Pioneer Financial Corporation, Inc., Concord Bancshares, Inc., Country Hill Bancshares, Inc., TIC, Inc., and Midland Bancor, Inc. (the "GREIF Holding Companies");

provided, however, that GREIF may not, without the prior written approval of the OTS, FRB and any other appropriate federal banking agency, exercise any voting rights with respect to such stock of any Covered Institution, including the GREIF Holding Companies, or otherwise act in any manner that would make GREIF an "institution-affiliated party" as that term is defined at Sections 3(u) and 8(b)(3) and (4) of the FDIA, as amended, 12 U.S.C.A. § 1813(u) and § 1818(b)(3) and (4).

4. Pursuant to the terms of these Orders, GREIF shall make payment to Midland Bank of Overland Park, N.A. (f/k/a College Boulevard National Bank), Midland Bank, and Midland Bank of Lenexa (f/k/a Country Hill Bank) (collectively the "commercial banks") in the total amount of \$2,735,857.38. This sum shall represent affirmative action in the form of financial relief to the

commercial banks for all losses recognized on the Candletree Apartments Loan described in paragraph 3(d) of the Stipulation. Payment of this sum shall be made in the following manner:

(a) On or before the Tenth (10th), Forty-fifth (45th) and Ninetieth (90th) days from the date of issuance of these Orders, GREIF shall pay \$320,533.24 by certified checks made payable to Midland Bank of Overland Park, N.A. and tendered to the Regional Deputy Director of the OTS Kansas City Area Office. These three installments shall total \$961,599.72 and represent the loss recognized by Midland Bank of Overland Park, N.A. on the Candletree Apartments loan. Copies of the checks shall be provided to the Regional Directors of the OCC, FDIC and the Federal Reserve Bank of Kansas City (the "Reserve Bank");

(b) On or before the Tenth (10th), Forty-fifth (45th) and Ninetieth (90th) days from the date of issuance of these Orders, GREIF shall pay \$298,166.43 by certified checks made payable to Midland Bank and tendered to the Regional Deputy Director of the OTS Kansas City Area Office. These three installments shall total \$894,499.29 and represent the loss recognized by Midland Bank, Kansas City, Missouri on the Candletree Apartments loan. Copies of the checks shall be provided to the Regional Directors of the OCC, FDIC and Reserve Bank;

(c) On or before the Tenth (10th), Forty-fifth (45th) and Ninetieth (90th) days from the date of issuance of these Orders, GREIF shall pay \$293,252.79 by certified checks made payable to Midland Bank of Lenexa (f/k/a Country Hill Bank) and tendered to the Regional Deputy Director of the OTS Kansas City

Area Office. These three installments shall total \$879,758.37 and represent the loss recognized by Midland Bank of Lenexa on the Candletree Apartments loan. Copies of the checks shall be provided to the Regional Directors of the OCC, FDIC and Reserve Bank.

5. Within ten (10) days from the date of issuance of these Orders, GREIF shall pay \$150,000.00 by certified check made payable to Pioneer Savings and Loan Association and tendered to the Regional Deputy Director of the OTS Kansas City Area Office. This sum shall represent full repayment and reimbursement to Pioneer for bonuses paid to senior officers for the calendar year 1990.

6. Within ten (10) days from the date of issuance of these Orders, GREIF shall make full reimbursement to Pioneer and Midland Bank (the "Institutions") for any and all costs, expenses and fees, including legal fees, incurred or paid by the Institutions up to the date of issuance of the Orders to prepare for, defend and/or litigate the civil suit styled Donald R. Dreiske v. The Pioneer Savings and Loan Association, et al., Case No. CIV 92-00463W. This reimbursement shall be made by certified checks made payable in the correct amount to the respective Institutions and tendered to the Regional Deputy Director of the OTS Kansas City Area Office. Copies of the checks shall be provided to the Regional Directors of the OCC, FDIC and the Reserve Bank.

7. From and after the date of issuance of these Orders, GREIF shall be obligated to reimburse, indemnify and hold harmless Pioneer, Midland Bank, Midland Bank of Lenexa, Midland Bank of Kansas and Midland Bank of Overland Park, N.A. (the "GREIF-affiliated financial institutions"), from any and all

liability, loss, damage, cost, expense, fee (including legal fee(s)), judgment, award, or harm incurred or arising from the civil suit styled Donald R. Dreiske v. The Pioneer Savings and Loan Association, et al., Case No. CIV 92-00463W, as presently pending or hereinafter amended; and for any losses recognized or incurred by the GREIF-affiliated financial institutions, and any other claims made or lawsuit(s) commenced against any of the GREIF-affiliated financial institutions, which pertain or relate to the Wichita Holiday Inn East Hotel loan(s) at the GREIF-affiliated financial institutions.

8. To further memorialize and evidence GREIF's obligations to the GREIF-affiliated financial institutions as set forth in paragraph 7 above, within five (5) days from the date of issuance of these Orders, GREIF shall execute, and thereafter comply with, the Indemnification Agreement attached hereto as Exhibit A and incorporated herein in its entirety as if fully set forth.

9. Within ten (10) days from the date of issuance of these Orders, GREIF shall pay \$128,196.09 by certified check made payable to the OTS and tendered to the Regional Deputy Director of the OTS Kansas City Area Office. This sum shall represent payment and full reimbursement of the OTS costs incurred during the course of its formal examination of Pioneer and its affairs, and shall further constitute affirmative action to remedy or correct conditions resulting from certain violations or practices.

