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SUPERVISORY AGREEMENT

This Supervisory Agreement ("Agreement") is made and is effective this 31st day of March 2000 (the "Effective Date"), by and between **First American Savings Bank, FSB** (the "Association"), a federally chartered stock association, having its main office located at **Omaha, Nebraska**, and the Office of Thrift Supervision ("OTS"), an office within the United States Department of the Treasury, having its principal executive offices located at 1700 G Street, N.W., Washington, D.C., acting through its Midwest Regional Director or his/her designee ("Regional Director").

WHEREAS, the OTS is the primary federal regulator of the Association; and

WHEREAS, based on the Compliance Report of Examination dated September 13, 1999, the OTS, is of the opinion that the Association has engaged in acts and practices that: (i) have resulted in violations of certain of the laws or regulations to which the Association is subject and/or (ii) are considered to be unsafe and unsound; and

WHEREAS, the OTS is of the opinion that grounds exist for the initiation of administrative proceedings against the Association; and

WHEREAS, the OTS is of the view that it is appropriate to take measures intended to ensure that the Association will: (i) comply with all applicable laws and regulations and (ii) engage in safe and sound practices; and

WHEREAS, the Association, acting through its Board of Directors (the Board), without admitting or denying any violations of laws or regulations and/or unsafe and unsound practices, wishes to cooperate with the OTS and to evidence the intent to: (i) comply with all applicable laws and regulations and (ii) engage in safe and sound practices.

NOW THEREFORE, in consideration of the above premises; and the mutual undertakings set forth herein, the parties hereto agree as follows:

COMPLIANCE WITH LAWS, REGULATIONS & SAFE AND SOUND PRACTICES**1. Compliance with Regulations**

The Association shall take all necessary and appropriate actions to achieve compliance with the following laws, regulations, and safe and sound business practices:

- A. Sections 226.17(c)(1); 226.18(d)(1); and 226.18(g) of Regulation Z, 12 C.F.R. §§ 226.17(c)(1); 226.18(d)(1); and 226.18(g) (regarding disclosure of private mortgage insurance and finance charges).

- B. Sections 226.17; 226.18(d)(1); 226.18(g); and 226.22(a)(1); of Regulation Z, 12 C.F.R. §§ 226.17; 226.18(d)(1); 226.18(g); and 226.22(a)(1) (regarding disclosure, finance charges, and annual percentage rates).
- C. Sections 226.23(a)(1) and 226.23(a)(3) of Regulation Z, 12 C.F.R. § 226.23(a)(1) and 226.23(a)(3) (regarding consumers' right to rescind and expiration of rescission period).
- D. Section 560.35(a) of the OTS Regulations, 12 C.F.R. § 560.35(a) (regarding adjustments to home loans).
- E. Section 572.3(a) of the OTS Regulations, 12 C.F.R. § 572.3(a) (regarding flood insurance coverage).

CORRECTIVE PROVISIONS

2. Compliance Management Plan

- (a) By January 31, 2000, the Association shall conduct a review of all construction loan files to determine compliance with the requirements of Regulation Z, 12 C.F.R. §§ 226.17, 226.18, and 226.22, and identify amounts of any restitution and report any amounts paid or to be paid.
- (b) By February 28, 2000, the Association shall provide to the Regional Director, a summary of the results of the review of the adjustable rate mortgage adjustments errors, including the total amount of refunds due to borrowers; amount of refunds actually made; and the number of borrowers affected.
- (c) By January 31, 2000, the Association shall submit to the Regional Director, a list of all loans subject to the right of rescission under § 226.23 of the OTS Regulations, and an attorney's opinion concerning the Association's liability exposure for non compliance with the regulatory requirements.
- (d) By February 28, 2000, the Association shall submit to the Regional Director, a list of all loans not meeting the requirements of Section 572.3(a) of the OTS Regulations, 12 C.F.R. § 572.3(a) for flood insurance coverage, and steps taken by the Association to obtain flood insurance in the appropriate amounts.
- (e) The Association and its Board shall establish a plan for internal controls and procedures to ensure conformance with compliance regulations as detailed in the September 13, 1999 OTS Compliance Examination.

- (f) By April 30, 2000, and on a quarterly basis thereafter, the Association shall submit to the Board of Directors, a quarterly compliance report prepared either internally by its compliance officer or by an outside audit and compliance consultant. The report shall contain an employee training schedule and results, internal or external review scheduled and scope of those reviews, results of internal or external reviews, and corrective actions taken.

MISCELLANEOUS

3. Director Responsibility

Notwithstanding the requirements of this Agreement that the Board of Directors submit various matters to the Regional Director for the purpose of receiving his approval, non-objection or notice of acceptability, such regulatory oversight does not derogate or supplant each individual member's continuing fiduciary duty. The Board of Directors shall have the ultimate responsibility for overseeing the safe and sound operation of the Association at all times, including compliance with the determinations of the Regional Director as required by this Agreement.

4. Compliance with Agreement

- A. The Board and officers of the Association shall take immediate action to cause the Association to comply with the terms of this Agreement and shall take all actions necessary or appropriate thereafter to cause the Association to continue to carry out the provisions of this Agreement.
- B. The Board, on a quarterly basis, shall adopt a board resolution (the "Compliance Resolution") formally resolving that, following a diligent inquiry of relevant information (including reports of management), to the best of its knowledge and belief, during the immediately preceding calendar quarter, the Association has complied with each provision of this Agreement currently in effect, except as otherwise stated. The Compliance Resolution shall: (i) specify in detail how, if at all, full compliance was found not to exist, and (ii) identify all notices of exemption or non-objection issued by the Regional Director that were outstanding as of the date of its adoption.
- C. The minutes of the meeting of the Board shall set forth the following information with respect to the adoption of each Compliance Resolution: (i) the identity of each director voting in favor of its adoption; and (ii) the identity of each director voting in opposition to its adoption or abstaining from voting thereon, setting forth each such director's reasoning for opposing or abstaining.

- D. No later than the 25th Calendar Day of the month following the end of a calendar quarter, beginning with the end of the first calendar quarter following the Effective Date, the Association shall provide to the Regional Director a certified true copy of the Compliance Resolution adopted at the Board meeting in such calendar quarter. The board of directors, by virtue of the Association's submission of a certified true copy of each such Compliance Resolution to the Regional Director, shall be deemed to have certified to the accuracy of the statements set forth in each Compliance Resolution, except as provided below. In the event that one or more Directors do not agree with the representations set forth in a Compliance Resolution, such disagreement shall be noted in the minutes of the Association.

5. Definitions

All technical words or terms used in this Agreement for which meanings are not specified or otherwise provided by the provisions of this Agreement shall, insofar as applicable, have meanings as defined in Chapter V of Title 12 of the Code of Federal Regulations, HOLA, FDIA or OTS Memoranda. Any such technical words or terms used in this Directive and undefined in said Code of Federal Regulations, HOLA, FDIA, or OTS Memoranda shall have meanings that are in accordance with the best custom and usage in the savings and loan industry.

6. Successor Statutes, Regulations, Guidance, Amendments

Reference in this Agreement to provisions of statutes, regulations, and OTS Memoranda shall be deemed to include references to all amendments to such provisions as have been made as of the Effective Date and references to successor provisions as they become applicable.

7. Notices

Except as otherwise provided herein, any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted by the Directive to be made upon, given or furnished to, delivered to, or filed with the OTS or the Association shall be in writing and mailed, first class or overnight courier, or means of electronic transmission, or physically delivered, and addressed as follows:

OTS: Midwest Regional Office
122 W. John Carpenter Fwy.
Suite 600
Irving, TX 75039
(972) 281-2000 - Main Number
(973) 281-2001 - Main Facsimile

Association: First American SB, FSB
3540 South 84th Street
Omaha, NE 68124

8. Duration, Termination or Suspension of Agreement

- A. This Agreement shall: (i) become effective upon its execution by the OTS, through its authorized representative whose signature appears below and (ii) remain in effect until terminated, modified or suspended in writing by the OTS, acting through its Director or the Regional Director (including any authorized designee thereof).
- B. The Regional Director in his or her sole discretion, may, by written notice, suspend any or all provisions of this Agreement.

9. Time Limits

Time limitations for compliance with the terms of this Agreement run from the Effective Date, unless otherwise noted.

10. Effect of Headings

The Section headings herein are for convenience only and shall not affect the construction hereof.

11. Separability Clause

In case any provision in this Agreement is ruled to be invalid, illegal or unenforceable by the decision of any Court of competent jurisdiction, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby, unless the Regional Director in his/her sole discretion determines otherwise.

12. No Violations of Law, Rule, Regulation or Policy Statement Authorized; OTS Not Restricted [Relation To State Law]

Nothing in this Agreement shall be construed as: (i) allowing the Association to violate any law, rule, regulation, or policy statement to which it is subject or (ii) restricting the OTS from taking such action(s) that are appropriate in fulfilling the responsibilities placed upon it by law, including, without limitation, any type of supervisory, enforcement or resolution action that the OTS determines to be appropriate.

13. Successors in Interest/Benefit

The terms and provisions of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their successors in interest. Nothing in this Agreement, express or implied, shall give to any person or entity, other than the parties hereto, and the Federal Deposit Insurance Corporation and their successors hereunder, any benefit or any legal or equitable right, remedy or claim under this Agreement.

14. Signature of Directors

Each Director signing the Agreement attests, by such act, that she or he, as the case may be, voted in favor of the resolution, in the form attached to this Agreement, authorizing the execution of this Agreement by the Association.

15. Integration Clause: Impact On Other Enforcement Documents

- (a) This Agreement represents the final written agreement of the parties with respect to the subject matter hereof and constitutes the sole agreement of the parties, as of the Effective Date, with respect to such subject matter.
- (b) The September 24, 1999 Supervisory Agreement, issued by the Midwest Regional Director, to the Association, remains in effect until terminated, and nothing contained herein is intended to supersede or otherwise modify such Supervisory Agreement.

16. Enforceability of Agreement

The Association represents and warrants that this Agreement has been duly authorized, executed, and delivered, and constitutes, in accordance with its terms, a valid and binding obligation of the Association. The Association acknowledges that this Agreement is a "written agreement" entered into with the OTS within the meaning of Section 8 of the FDIA, 12 U.S.C. §1818.

IN WITNESS WHEREOF, the OTS, acting by and through the Regional Director and the Association, in accordance with a duly adopted resolution of its Board (copy attached hereto), hereby execute this Agreement as of the Effective Date.

OFFICE OF THRIFT SUPERVISION

**FIRST AMERICAN SAVINGS BANK, FSB
OMAHA, NEBRASKA**

By:

By:

15/

15/

Frederick R. Casteel
Midwest Regional Director

John H. Vaughn
Chief Executive Officer

DIRECTORS OF THE ASSOCIATION

15/

Director

15/

Director

15/

Director

Director

**CERTIFIED COPY OF
RESOLUTION OF BOARD OF DIRECTORS**

I, the undersigned, being the duly appointed and qualified Secretary of **First American SB, FSB, Omaha, NE** ("the Association") hereby certify as follows:

1. A duly called meeting of the Board of Directors of the Association was held on JANUARY 14, 2000;
2. At said meeting a quorum was present and voting throughout;
3. The following is a true copy of resolutions duly adopted by the Association's Board of Directors, which resolutions have not been rescinded or modified and are now in full force and effect:

WHEREAS, the Board of Directors of the Association wishes to cooperate with the OTS and to demonstrate that said Board and the Association have the intent to: (1) comply with all applicable laws and regulations and (2) engage in safe and sound practices; and

WHEREAS the Directors of the Association have read and considered the proposed Supervisory Agreement ("Agreement") which shall be attached to the minutes of this meeting; and

WHEREAS after due consideration, the Directors of the Association have determined to cause the Association to enter into the proposed Agreement which is in the best interest of the Association;

NOW THEREFORE, BE IT RESOLVED, that the Association be and it hereby is authorized to enter into the Agreement in the form attached to the minutes of the meeting,

FURTHER RESOLVED, that the execution and delivery of, and performance of all of the provisions of the Agreement be, and they hereby are, authorized and approved,

FURTHER RESOLVED, that the Directors and Officers of the Association be, and they hereby are, authorized and directed to execute and deliver the Agreement and to take all steps necessary or appropriate to implement the terms of the Agreement and to cause the Association to comply in all respects with the terms of the Agreement.

4. All members of the Board of Directors were present and voted at the meeting (except DONALD KOPECKY, SR.) and all members of the Board of Directors (~~except~~ PRESENT) voted in favor of the resolution;

IN WITNESS WHEREOF, I have hereto subscribed my name and affixed the seal of the Association on this 6th day of APRIL, 2000.

1st

Name: FRANK LABEDZ
Title: SECRETARY

(SEAL)