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SUPERVISORY AGREEMENT

This Supervisory Agreement ("Agreement") is made and is effective this 26th day of September, 1991, by and between Home Trust Savings and Loan Association, Vermillion, South Dakota (OTS No. 7200) ("Institution") for itself and any wholly-owned or partly-owned subsidiary, and the Office of Thrift Supervision ("OTS"). This Agreement has been duly authorized, executed, and delivered, and constitutes, in accordance with its terms, a valid and binding obligation of the Institution. It is understood and agreed that this Agreement is a "written agreement" entered into with the OTS within the meaning of Sections 902 and 907 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, Pub. L. No. 101-73 ("FIRREA"), §§ 902 and 907, 103 Stat. 183 (1989) (codified as amended at 12 U.S.C. §§ 1818(b)(1) and (i)(2)).

WHEREAS, the OTS is of the opinion that the Institution has not complied with certain of the regulations to which the Institution is subject in conducting the business of the Institution, specifically 12 C.F.R. Parts 202 and 226 and §§ 528.2a, 528.4, 528.6, 561.28, 561.29, 563.48, 563.99, 563.177, and 568.4, 24 C.F.R. Part 3500, and 31 C.F.R. Part 103, thereby providing grounds for the initiation of cease and desist proceedings against the Institution by the OTS; and

WHEREAS, the OTS is willing to forbear at this time from the initiation of cease and desist proceedings against the Institution for its failure to comply with 12 C.F.R. Parts 202 and 226 and §§ 528.2a, 528.4, 528.6, 561.28, 561.29, 563.48, 563.99, 563.177, and 568.4, 24 C.F.R. Part 3500, and 31 C.F.R. Part 103, as of June 17, 1991, so long as the Institution is in compliance with the provisions of this Agreement; and

WHEREAS, in the interest of regulatory compliance and cooperation, the Institution is willing to enter into this Agreement to avoid the initiation of such cease and desist proceedings:

NOW, THEREFORE, in consideration of the above-stated forbearance by the OTS from the initiation of cease and desist proceedings against the Institution, it is agreed between the parties hereto as follows:

Consumer Compliance Program

1. (a) Within 90 days after the effective date of this Agreement, the board of directors of the Institution ("Board of Directors") shall establish and adopt a written program to ensure compliance ("Compliance Program") with the applicable consumer and public-interest related laws and regulations including, but not limited to, the Truth in Lending Act, Equal Credit Opportunity Act, Fair Credit Reporting Act, Home Mortgage Disclosure Act, Real Estate Settlement Procedures Act, Equal Employment Opportunity Act, Community Reinvestment Act, Bank Protection Act, Flood Disaster Protection Act, and Bank Secrecy Act, and implementing regulations, and 12 C.F.R. §§ 528.2a, 528.4, 528.6, 561.28, 561.29, 563.48, 563.99, 563.177, and 568.4, and 24 C.F.R. Part 3500 and 31 C.F.R. Part 103.

(b) The Compliance Program shall provide for written policies and procedures that set forth the requirements of the applicable laws and regulations, including those set forth in subparagraph (a) hereof, as well as incorporating the OTS regulatory guidelines, and shall, at a minimum, include:

- (i) a designated individual(s) (compliance officer(s)) to coordinate and monitor the program;
- (ii) internal control;
- (iii) independent testing of compliance;
- (iv) training; and
- (v) any other specific requirements of the applicable laws and regulations.

(c) Within 30 days after the effective date of this Agreement, the Board of Directors shall designate a qualified Consumer Compliance Officer to coordinate and monitor the program.

(d) The Institution, acting through its Board of Directors, shall amend its Compliance Program, or any portion thereof, as directed by the Regional Deputy Director for Support, Midwest Region, OTS, or his successor or designee ("Regional Deputy Director") and shall, acting through its Board of Directors, officers, employees, and other agents, comply with the Compliance Program, as so amended.

(e) The Institution shall comply with all statutory and regulatory requirements cited in this Paragraph 1.

Community Reinvestment Act

2. (a) Within 30 days of the effective date of this Agreement, the Institution shall file with the Regional Deputy Director a revised Community Reinvestment Act statement which ensures the implementation of its provisions.

(b) Within 30 days of the effective date of this Agreement, the Board of Directors shall appoint an on-site Community Reinvestment Act Compliance Officer.

(c) Within 60 days of the effective date of this Agreement, the Board of Directors shall establish an action plan for assessment of the delineated community's credit needs and compliance with the Community Reinvestment Act ("Action Plan"). Such Action Plan and any revisions thereto shall be approved by the Board of Directors. Upon approval by the Board of Directors, the Action Plan shall be submitted to the Regional Deputy Director within 60 days of the date of this Agreement.

(d) The Board of Directors shall, on a quarterly basis, review the Action Plan to ensure that the Institution is in compliance with the Community Reinvestment Act and its implementing regulations. A resolution setting forth the minutes of those reviews shall be submitted to the Regional Deputy Director by no later than the 20th day after the end of the quarter.

Bank Secrecy Act

3. (a) Within 30 days of the effective date of this Agreement, the Board of Directors shall appoint an on-site Bank Secrecy Act Compliance Officer responsible for coordinating and monitoring compliance by the Institution with the Bank Secrecy Act, implementing regulations, and this paragraph.

(b) Within 60 days of the effective date of this Agreement, the Board of Directors shall establish and provide to the Regional Deputy Director an updated Bank Secrecy Act Policy which shall provide, at a minimum, for the following:

- (i) the proper maintenance and formatting of logs as required by the Bank Secrecy Act and its implementing regulations;
- (ii) the schedule and documentation of training of relevant staff of the Institution; and
- (iii) procedures designed to obtain compliance with the Bank Secrecy Act and the implementing regulations, including but not limited to procedures designed to require correct completion of Currency Transaction Reports and the proper maintenance of an updated exemption list.

(c) The Board of Directors shall, on a quarterly basis, prudently review the updated Bank Secrecy Act Policy and other relevant documentation to ensure that the Institution is in compliance with the Bank Secrecy Act and the implementing regulations. A resolution setting forth the minutes of those reviews shall be submitted to the Regional Deputy Director by no later than the 20th day after the end of the quarter.

Bank Protection Act

4. (a) The Institution, through its Board of Directors, shall adopt a new security policy within 30 days of the effective date of this Agreement. The new security policy shall require compliance with the Bank Protection Act and 12 C.F.R. Part 568 and shall be amended as directed by the Regional Deputy Director. The Institution shall comply with the new security policy, as so amended.

(b) Within 30 days of the effective date of this Agreement, the Board of Directors shall appoint a new security officer and charge that person with responsibility for implementing the new security policy.

(c) Within 30 days of the effective date of this Agreement, the Institution shall provide its employees with training designed to ensure compliance with the Bank Protection Act and 12 C.F.R. Part 568.

Truth in Lending Act

5. The Institution shall not allow or cause a right of rescission to be waived except in compliance with the Truth in Lending Act and Regulation Z of the Board of Governors of the Federal Reserve System.

Loan Application Register

6. The Institution shall properly maintain its loan application register in compliance with 12 C.F.R. § 528.6(d).

Advertising

7. The Institution shall not advertise except in compliance with applicable legal requirements, including but not limited to those of 12 C.F.R. § 528.4.

Approval of Executive Officers and Directors

8. Pursuant to § 914 of FIRREA and any regulations promulgated thereunder, the Board of Directors shall notify the Regional Deputy Director of the proposed addition or employment of any director or senior executive officer before such addition or employment becomes effective. The Board of Directors may not add or employ any director or senior executive officer if the Regional Deputy Director issues a notice of disapproval before the end of 30 days from the date on which the notice was deemed complete by the Regional Deputy Director, beginning on the date the Regional Deputy Director receives notice of the proposed addition or employment.

General Provisions

9. The Board of Directors shall, at each regular meeting, formally resolve that, to the best of its knowledge and belief, and based on a prudent review of management reports, during the previous calendar month the Institution and its subsidiaries complied with each condition of this Agreement except as otherwise stated. The resolution shall specify in detail how, if at all, full compliance was found not to exist. The resolution further shall set forth any exceptions to any conditions of this Agreement approved by the Regional Deputy Director. Within 10 days of each regular Board of Directors' meeting, the Institution shall submit to the Regional Deputy Director a copy of the minutes of each Board of Directors' meeting, the minutes of any subsidiary board of directors' meeting, the minutes of Board of Directors' committee(s) meetings, the aforementioned resolution, and the management report(s) of the Institution. Each director shall at such time either provide the Regional Deputy Director with certification that, to the best of his or her knowledge and belief, and based upon a prudent review, the above-referenced resolution is accurate or provide the Regional Deputy Director with a written statement providing in detail the reason(s) for disagreement with the resolution.
10. (a) As used in this Agreement, the Regional Deputy Director is the "senior supervisory official" within the meaning of Section 723(d) of the FIRREA, § 723(d), 103 Stat. 183 (1989).

(b) As used in this Agreement, the term "subsidiary" or "subsidiaries" shall be as defined in 12 C.F.R. § 567.1(dd).

(c) 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 of this Agreement pursuant to Section 401(h) of the FIRREA, § 401(h), 103 Stat. 183 (1989), and references to successor provisions as they become applicable.

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, and Federal Deposit Insurance Act, as amended ("FDIA"). Any such technical words or terms used in this Agreement 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.

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.

This Agreement shall remain in effect until terminated, modified or suspended by the OTS, acting through the Regional Deputy Director.

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

I, the undersigned, being the duly qualified Secretary of Home Trust Savings and Loan Association, Vermillion, South Dakota (OTS No. 7200) ("Institution") hereby certify that the following is a true copy of a resolution duly adopted by its board of directors at a meeting duly called and held on September 26, 1991; that at said meeting a quorum was present and voting throughout; and that said resolution has not been rescinded or modified and is now in full force and effect;

RESOLUTION

WHEREAS the directors of the Institution have been advised that the Office of Thrift Supervision ("OTS") is of the opinion that the Institution violated regulations to which the Institution is subject and that such violations and practices provide grounds for the initiation of cease and desist proceedings against the Institution by the OTS; and

WHEREAS the said directors have been informed that the OTS will forbear from the initiation of such proceedings as a result of the Institution's failure to comply with 12 C.F.R. Parts 202 and 226 and §§ 528.2a, 528.4, 528.6, 561.28, 561.29, 563.48, 563.99, 563.177, and 568.4, 24 C.F.R. Part 3500, and 31 C.F.R. Part 103, as of June 17, 1991, to which the Institution is subject, if the attached Supervisory Agreement ("Agreement") is executed by the Institution and if its terms are thereafter carried out by the Institution; and

WHEREAS the directors of the Institution have read and considered the proposed Agreement attached to the minutes of the meeting of the board of directors held on September 26, 1991; and

WHEREAS after due consideration, the directors of the Institution have determined to enter into the proposed Agreement in the interest of regulatory compliance and cooperation: Now, therefore, be it

RESOLVED, that the proposed Agreement, a copy of which is attached hereto and the provisions of which are incorporated herein by reference, be and is hereby approved by the board of directors of the Institution. The officers and employees of the Institution are directed and authorized to take all necessary steps to implement immediately the terms of the Agreement and to comply with such Agreement.

IN WITNESS WHEREOF, I have hereto subscribed my name and affixed the seal of Home Trust Savings and Loan Association, Vermillion, South Dakota, this 26th day of September, 1991.

Secretary JS