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**SUPERVISORY AGREEMENT
OF CERTAIN STOCKHOLDERS OF FAMILY FIRST FEDERAL SAVINGS BANK**

This Supervisory Agreement ("Agreement") is made and entered into as of the 25th day of January, 1994, by and among Michele Corrado, Nancy Corrado, Rose Marie Corrado, and George Held (collectively the "Non-Governmental Parties"), and the Office of Thrift Supervision (the "OTS" and together with the Non-Governmental Parties the "Parties").

W I T N E S S E T H

WHEREAS, the OTS, a federal banking agency, examines, supervises and regulates Family First Federal Savings Bank ("Family First"), Clifton, New Jersey, which is a stockholder-owned federal savings association having 982,498 shares of common stock issued and outstanding as of the date hereof; and

WHEREAS, each of the Non-Governmental Parties owns shares of Family First common stock, which shares are identified at Schedule A attached hereto; and

WHEREAS, the Non-Governmental Parties are spouses of Peter Corrado, Gerald Corrado, Joseph Corrado, and Patricia Corrado Held (the "Spouses"); and

WHEREAS, as of the date of this Agreement, the Non-Governmental Parties together with the Spouses collectively own or control the voting rights of 177,878 shares (or 18.1%) of Family First's common stock; and

WHEREAS, based on the findings from OTS investigation no. EAST-91-2 concerning the affairs and ownership of Family First (the "Investigation"), the OTS is of the opinion that the Non-Governmental Parties together with the Spouses and other persons are members of a group that acquired control of Family First without complying with federal laws and regulations, including but not limited to the regulations at 12 C.F.R. Part 574; and

WHEREAS, the Spouses, without admitting or denying the allegations arising from the Investigation, have signed a Stipulation and Consent relating to the OTS' issuance of OTS Order No. NE94-5 (the "Consent Order");

WHEREAS, the Non-Governmental Parties, without admitting or denying any liability or the OTS' allegations arising from the Investigation, wish to cooperate with the OTS; and

WHEREAS, the Non-Governmental Parties execute this Agreement in consideration for the OTS forever releasing and discharging each of the Non-Governmental Parties (but no other persons) from all potential claims or charges that have been or might have been asserted by the OTS based on the OTS' findings about any and all

acquisitions of Family First common stock, prior to the date of this Agreement, by the Non-Governmental Parties, the Spouses, and others; and

WHEREAS, following the stock divestiture required by the Consent Order, the Non-Governmental Parties together with the Spouses collectively will continue to own or control 96,079 shares (or 9.8%) of Family First's common stock; and

WHEREAS, this Agreement will be a valid and binding obligation of each of the Parties hereto upon execution and delivery by the Parties;

NOW, THEREFORE, in consideration of the foregoing premises, it is hereby agreed among the Parties hereto as follows:

1. Definitions.

(a) Any term defined in this Agreement shall have the same defined meaning throughout this Agreement regardless of where the term appears in this Agreement and regardless of whether the term is used prior to being defined. Unless defined otherwise in this Agreement, terms used herein that are defined in the Change in Bank Control Act, the Savings and Loan Holding Company Act, or 12 C.F.R. Part 574 shall have the meanings as set forth in those laws or regulations.

(b) The following terms shall have the following meanings for purposes of this Agreement:

"Change in Bank Control Act" means the federal law with that name currently codified at 12 U.S.C.A. § 1817(j) (West 1989) and any successor laws.

"Office of Thrift Supervision" or "OTS" means an office within the United States Department of the Treasury, established by Section 3 of the Home Owners' Loan Act, 12 U.S.C.A. § 1462a (West 1989), and includes any federal agency that succeeds to the regulatory interests of the OTS.

"Savings and Loan Holding Company Act" means the federal law with that name currently codified at 12 U.S.C.A. § 1467a (West 1993) and any successor laws.

2. Compliance with Laws and Regulations.

(a) Each Non-Governmental Party shall comply in all respects with the Change in Bank Control Act, the Savings and Loan Holding Company Act, and the regulations thereunder, including but not limited to the OTS regulations codified at 12 C.F.R. Part 574, and any successor laws or regulations.

(b) No Non-Governmental Party shall directly or indirectly acquire (within the meaning of 12 C.F.R. § 574.2(a)

(1993)), whether by purchase, gift or otherwise, any additional shares of Family First stock without:

(i) previously obtaining the written advice of competent counsel having regulatory expertise to provide advice about compliance with the Change in Bank Control Act, the Savings and Loan Holding Company Act, and the regulations thereunder, provided, however, that in the event of an acquisition by gift or devise, such written advice shall be obtained no later than fifteen (15) days after the acquisition; and

(ii) either (y) first obtaining the prior written consent (or non-disapproval) of the OTS following the filing of an appropriate written notice, application or other filing (e.g., rebuttal-of-control or safe-harbor filing) in the manner provided by the Change in Bank Control Act, the Savings and Loan Holding Company Act, and 12 C.F.R. Part 574 or other regulations thereunder, or (z) otherwise complying with the Change in Bank Control Act or the Savings and Loan Holding Company Act, and applicable regulations, as provided by 12 C.F.R. § 574.3(d) (1993) (or any successor regulations).

3. Restrictions on Influence and Control.

(a) No Non-Governmental Party shall directly or indirectly:

- (i) Seek or accept representation on the Board of Directors of Family First;
- (ii) Have or seek to have any representative serve as a "management official" of Family First as such term is defined at 12 C.F.R. § 574.2(k) (1993).
- (iii) Exercise or attempt to exercise any influence over the management, operations, policies or business operations of Family First (including without limitation loan and credit decisions, the pricing of services, dividend declarations or personnel decisions) or cause the charter, by-laws or other governing instruments of Family First to be amended or modified; or
- (iv) Seek or accept access to any non-public information concerning Family First.

(b) No Non-Governmental Party, without the prior written non-objection of the OTS, shall directly or indirectly: (i) exercise any stockholder voting rights with respect to any Family First common stock other than the stock owned by the particular Non-Governmental Party as identified at Schedule A attached hereto; or (ii) otherwise solicit, procure, transfer, attempt to transfer, vote, or attempt to vote any proxy, consent, or authorization with respect to any Family First common stock other

than the stock owned by the particular Non-Governmental Party as identified at Schedule A attached hereto.

4. Termination of Agreement. This Agreement shall terminate upon the occurrence of any of the following Events of Termination:

(i) in the event Family First ceases to be an insured depository institution, within the meaning of 12 U.S.C.A. § 1813(c)(2);

(ii) on the ninetieth (90th) day after the date (the "Conversion Date") on which Family First ceases to be a savings association, within the meaning of 12 U.S.C.A. §§ 1462(4) and 1813(b), but remains an insured depository institution, provided that, (y) within ten (10) days after the Conversion Date, the Non-Governmental Parties file with the OTS and the Federal Deposit Insurance Corporation ("FDIC") a written notice of intention to terminate this Agreement pursuant to this subparagraph, and (z) the FDIC, within ninety (90) days of the Conversion Date, does not issue a written notice of its objection to the termination of this Agreement;

(iii) in the event of the merger or acquisition of Family First where the Family First stock of the Non-Governmental Parties is exchanged for voting stock (or securities convertible to voting stock) of another corporate entity, provided that, subsequent to such exchange the Non-Governmental Parties (together with members of their immediate families) would not own or control, or be entitled to own or control, more than five percent of any class of the surviving institution's voting stock;

(iv) in the event the OTS, in the exercise of its discretion, grants (in writing) a written application by the Non-Governmental Parties requesting termination of this Agreement; or

(v) in any event, on July 30, 2003.

5. Provisions of General Applicability.

(a) The subject headings of the paragraphs of this Agreement are included for the purpose of convenience only and shall not affect the construction or interpretation of any of its provisions.

(b) This Agreement may not be modified or amended except by a written agreement duly executed by each of the Parties hereto.

(c) In case any provision or provisions of this Agreement shall be determined by an appropriate federal court to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(d) This Agreement is the sole agreement of the Parties hereto with respect to the subject matters hereof.

(e) This Agreement, being a written agreement entered into with a Federal banking agency, is made for the purpose of effectuating a public purpose relative to enforcement by the OTS of federal law, and in the event any provisions hereof are subject to interpretation by an appropriate federal court said provisions shall be interpreted in a manner to effectuate said public purpose.

(f) This Agreement shall be construed in accordance with and governed by the laws of the United States of America.

IN WITNESS WHEREOF, the Parties hereto have hereunto set their respective hands as of the date first above written.

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MICHELE CORRADO

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NANCY CORRADO

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ROSE MARIE CORRADO

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GEORGE HELD
OFFICE OF THRIFT SUPERVISION

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By: _____
Robert C. Albanese
Deputy Regional Director
10 Exchange Place, 18th Floor
Jersey City, New Jersey 07302

(11.9)

SCHEDULE A TO AGREEMENT

<u>Certificate Number</u>	<u>Name(s) on Certificate</u>	<u>No. of Shares</u>
168	GEORGE HELD & PATRICIA HELD	5,000
526	GEORGE HELD & PATRICIA HELD	5,000
065	MICHELE CORRADO	3,000
463	MICHELE CORRADO	3,000
064	NANCY CORRADO	3,000
464	NANCY CORRADO	3,000
063	ROSE CORRADO	3,000
469	ROSE CORRADO	3,000