

SUPERVISORY AGREEMENT

This Agreement ("Agreement") is made and is effective this 27 day of *January* 1992 ("Effective Date"), by and between The Ravenna Savings and Loan Company, (OTS No. 5544) Ravenna, Ohio ("Ravenna" or "Institution"), for itself 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 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. § 563.43, and Section 22(h) of the Federal Reserve Act (12 U.S.C. 375b), and has engaged in unsafe or unsound practices in conducting the business of the Institution, 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 Institution of cease and desist proceedings against the Institution for its failure to comply with regulations, and unsafe and/or unsound practices as set forth in the Institution's Report of Examination dated August 20, 1991 for so long as the Institution is in compliance with the provisions of this Agreement; and

WHEREAS, in the interest of regulatory compliance and cooperation, while neither admitting nor denying that such violations or practices have taken place, Ravenna, 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 OTS from the initiation of cease and desist proceedings against Ravenna, it is agreed between the parties hereto as follows:

Statutes and Regulations

1. Ravenna shall correct violations cited in this section and the Report of Examination dated August 20, 1991 which have not heretofore been corrected and shall not knowingly initiate any action which would result in a violation of, or the aiding and abetting of any violation of Section 22(h) of the Federal Reserve Act (12 U.S.C. 375b) and 12 C.F.R. 563.43

Policies and Procedures

2. (a) Within 45 days from the date of this Agreement, Ravenna shall adopt a three year Business Plan and submit a copy to the Assistant Director. The Plan shall contain narrative discussions of significant activities and strategies used by Ravenna, including, but not limited to, strategies regarding mortgage banking activities and secondary marketing activities.

(b) Within 30 days of the close of each quarter, Ravenna shall submit to the Assistant Director reports of its Board's review of adherence to the Business Plan, which shall include (1) a comparison of actual operating results to projected amounts on a quarterly basis and explanations for significant variances, and (2) a summary of the status of each asset with a gross book balance in excess of \$250,000 noted as special mention or classified as substandard, doubtful, or loss.

(c) Ravenna shall not implement material changes to the operating plans and strategies outlined in the required Business Plan without prior notice to the Assistant Director.

3. Within 45 days of the Effective Date of this Agreement, Ravenna shall develop and adopt a policy governing transactions with affiliates and affiliated persons and conflicts of interest. The policy shall require compliance with Sections 22(h), 23A and 23B of the Federal Reserve Act, 12 U.S.C. §§ 375b, 371c and 371c-1 and with 12 C.F.R. §§ 563.41 and 563.43. In addition, the policy shall address concerns raised in the OTS policy guidance in 12 C.F.R. § 571.7. The policy shall require that all future loans to affiliated persons conform to Ravenna's loan underwriting standards and shall require that each director and executive officer be given a copy of the policy annually and acknowledge that he or she has read that policy. The policy shall provide that Ravenna conduct a comparative analysis of the terms and conditions of relationships and transactions with any of its affiliated persons or 5% or greater stockholders of record. In that analysis such relationships and transactions shall be compared to those that, in good faith, would be in effect if the relationship or transactions did not involve an affiliated person or 5% or greater stockholder of record. Such comparison shall take place either before entering into any such new relationship or transaction or at specified intervals for continuing relationships or transactions.

4. Within 30 days from the date of this Agreement, Ravenna shall adopt policies and implement procedures for enhanced internal asset review and classification, which the Board shall review annually and revise as deemed necessary. These enhanced procedures should clearly provide parameters for identification of problem or potential problem assets. Such asset classification policies and procedures shall be sufficient to insure compliance with Section 563.160 of Title 12 of the code of Federal Regulations.

5. (a) Within 30 days from the date of this Agreement, Ravenna shall perform an analysis of the current practices pertaining to its Home Equity Line of Credit Lending program. Such analysis shall either (1) provide documentation which analyzes the risk involved in the program, or (2) result in changes in the program which would reduce credit risk. The analysis should also consider enhancing underwriting considerations, including, but not limited to, qualifying loan-to-value ratios.

(b) All outstanding Home Equity Line of Credit loans to affiliated persons shall be brought into conformity with Ravenna's loan underwriting standards at the time the loan was underwritten.

6. Within 30 days from the date of this Agreement, Ravenna shall adopt written policies and procedures for mortgage banking activities. Such policies and procedures shall include, but not be limited to, a cost accounting analysis of the mortgage banking operation, including secondary marketing and servicing activities. Such analysis should be performed on a semi-annual basis.

7. The attendance of all non-director persons at Board meetings shall be documented in the minutes by stating the fact of such attendance and the purpose of such attendance. Outside legal counsel shall not attend Board meetings except when such attendance is deemed necessary by management or the Board.

8. Ravenna shall not engage in non-real estate commercial lending without having adopted written policies and procedures for those lending activities.

9. Within 30 days from the date of this Agreement, Ravenna shall adopt consumer lending policies and procedures. Such policies shall include, but not be limited to, qualifying loan-to-value ratios, income verification (especially of self-employed borrowers), and enhanced documentation and underwriting standards.

10. Any policies governing the areas for which policies are required by this Agreement, which were adopted by Ravenna since the August 20, 1991 examination and prior to the Effective Date of this Agreement, may, if desired by Ravenna, be presented as the policies adopted in response to this Agreement.

#### Closings

11. (a) Although the Board is by this Agreement required to submit certain proposed actions and programs for the review or approval of the Deputy Regional Director or his/her designee, the Board has the ultimate responsibility for proper and sound management of the Institution. In exercising and fulfilling its fiduciary duties, the Board may consider the reports of management, counsel, and other agents and consultants of the Board. Nothing contained herein shall require the Board or any member or agent thereof to take any action or omit to take any action inconsistent with his or her fiduciary duties.

(b) It is expressly and clearly understood that if, at any time, the OTS deems it appropriate in fulfilling the lawful responsibilities placed upon it by the several laws of the United States of America to undertake any lawful action affecting the Institution, nothing in this Agreement shall in any way inhibit, estop, bar, or otherwise prevent the OTS from doing so, except for the forbearance specifically granted by the "Whereas" clauses of this Agreement.

(c) Any time limitations imposed by this Agreement shall begin to run from the effective date of this Agreement. Such time limitations may be extended by the Deputy Regional Director or his/her designee for good cause upon written application by the Board.

(d) All technical words or terms used in this Agreement, for which meanings are not specified or otherwise provided by the provision of this Agreement, shall, insofar as applicable, have meanings as defined in the rules and regulations adopted by the OTS (including, without limitation, Chapter V of Title 12 Code of Federal Regulation). Any such technical words or terms used in this Agreement and undefined in said rules and regulations shall have meanings that accord with the best custom and usage in the thrift industry.

(e) 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.

(f) It is understood that the execution of this Agreement shall not be construed as an approval of any application or notices that are contemplated by the Institution.

(g) Any report or other document required by this Agreement to be submitted to the OTS shall be filed with the Office of Thrift Supervision, 525 Vine Street, Suite 700, Cincinnati, Ohio 45202, Attn: Assistant Director. All reports and other documents shall be deemed filed when received by the OTS.

(h) In the event any provision of this Agreement shall be declared invalid, illegal, or unenforceable; the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(i) The section headings used in this Agreement are for convenience of reference only and are not to affect the construction of or be taken into consideration in the interpretation of this Agreement.

