

97014

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

| | | |
|--------------------------|---|---------------------------------|
| In the Matter of: |) | |
| |) | |
| AMERIBANK |) | Order No: NE 08-11 |
| Northfork, West Virginia |) | |
| |) | Effective Date: August 25, 2008 |
| (OTS No. 14177) |) | |
| |) | |
| |) | |

PROMPT CORRECTIVE ACTION DIRECTIVE

WHEREAS, Ameribank, Northfork, West Virginia (Institution), is a federally chartered savings association that is regulated by the Office of Thrift Supervision (OTS); and

WHEREAS, Section 38 of the Federal Deposit Insurance Act (FDIA), 12 U.S.C. § 1831o, and Part 565 of the OTS Regulations, 12 C.F.R. Part 565, require institutions that are undercapitalized to file a capital restoration plan specifying the steps the institution will take to become at least adequately capitalized; and

WHEREAS, Section 38 of the FDIA, 12 U.S.C. § 1831o, requires the OTS to take prompt corrective action to resolve the problems of insured savings associations at the least possible long-term loss to the deposit insurance fund; and

WHEREAS, OTS, on July 16, 2008 notified the Institution that it: (i) was significantly undercapitalized for purposes of the prompt corrective action provisions of Section 38 of FDIA, 12 U.S.C. § 1831o and (ii) must submit a Capital Restoration Plan no later than July 31, 2008; and

WHEREAS, the Institution also is not in compliance with the capital standards required by Section 5(t) of the Home Owners' Loan Act (HOLA), 12 U.S.C. § 1464(t); and

WHEREAS, Section 5(t)(6)(B)(ii) of HOLA, 12 U.S.C. § 1464(t)(6)(B)(ii), requires any institution not in compliance with the capital standards to comply with a capital directive issued by OTS; and

WHEREAS, the Institution has not submitted an acceptable restoration plan under Section 38(e)(2)(c) of the FDIA, 12 U.S.C. § 1831o(e)(2)(c); and

WHEREAS, on August 11, 2008 the Institution was notified that it is critically undercapitalized; and

WHEREAS, Section 565.7 of the OTS Regulations, 12 C.F.R. § 565.7, provides for the issuance by the OTS of directives to take prompt corrective action to resolve the problems of insured depository institutions and to restore their capital; and

WHEREAS, the Institution and its Board of Directors, by execution of the attached Stipulation and Consent (Stipulation) to the issuance of this Directive, the terms of which are incorporated herein by this reference, have stipulated and consented to the issuance of the Directive; and

WHEREAS, the OTS finds it necessary in order to carry out the purposes of Section 38 of the FDIA, 12 U.S.C. § 1831o, to issue a Prompt Corrective Action Directive requiring the Institution immediately to take certain actions and to follow certain proscriptions.

NOW THEREFORE, pursuant to Section 38 of FDIA, 12 U.S.C. § 1831o, including but not limited to subsection (f) thereof, Section 5(t)(6)(B)(ii) of HOLA, 12 U.S.C. § 1464(t)(6)(B)(ii), and Section 565.7 of the OTS Regulations, 12 C.F.R. § 565.7, OTS directs the Institution and its Board of Directors to do the following:

PART I – IMPROVING CAPITAL

Section 1.1. Required Recapitalization

(a) Pursuant to 12 U.S.C. § 1831o(f)(2)(A) and subject to Subsection (c) of this Section 1.1 and any and all applicable laws and regulations, the Institution is directed to increase the amount of capital to a level sufficient to restore the Institution to an “adequately capitalized” capital category by doing one or more of the following by Monday, September 8, 2008:

- (i) raising capital in an amount causing it to become “adequately capitalized”: (A) by issuing shares of equity securities (*e.g.*, common or preferred stock), (B) through a public offering or private placement or (C) securing additional contributions to capital from owners or directors; and/or
- (ii) entering into a written agreement with another stock-form federally insured depository institution (or holding company thereof) providing for the Institution to be acquired by or merged with such other party whereby the resulting depository institution would be at least “adequately capitalized”.

(b) The Board of Directors of the Institution shall at all times make diligent and good faith efforts to cause the Institution to comply with subsection (a) of this Section 1.1. In furtherance of its obligations hereunder, the Board of Directors, *inter alia*, shall:

- (i) authorize and direct appropriate Institution officers to take appropriate actions consistent with the Institution’s obligations under said subsection (a);

- (ii) cause the Institution to hire or continue to retain such professionals as are necessary and appropriate to cause the Institution to engage in a securities issuance and/or a merger or other appropriate business combination; and
- (iii) cause the Institution to share appropriate information about itself with potential investors, acquirors, and/or merger partners; including, but not limited to, any such potential investor, acquiror or merger partner identified or referred to the Institution by the OTS.

(c) The Institution shall not issue any securities or enter into any agreement or understanding to merge, consolidate, or otherwise be acquired, or enter into any agreement or understanding to reorganize unless (i) the Institution has provided the OTS with prior written notice of its intention to take such action (of issuing securities or entering into such an agreement), and (ii) following such notice the OTS has provided the Institution with prior written notice of its non-objection to the proposed action by the Institution.

(d) The Institution will cooperate fully with Federal Deposit Insurance Corporation ("FDIC") efforts to avoid a loss or otherwise minimize exposure to the Insurance Fund. Such cooperation includes, but is not limited to, responding to requests for information, providing full access to personnel, agents and service providers, accommodating on-site visits, and permitting the FDIC to provide otherwise confidential information to third parties to facilitate the liquidation or other resolution of the Institution in anticipation of the possible appointment of the FDIC as conservator, receiver, or other legal custodian. The OTS directs this action pursuant to 12 U.S.C. § 1831o(f)(2)(J) and based upon a determination by the OTS that such action will better carry out the purposes of Section 38 of the FDIA.

Section 1.2. Reports of Compliance

(a) No later than ten (10) days following the end of each month, management of the Institution shall prepare, and the Board of Directors of the Institution shall review, a written report concerning the Institution's compliance with each of the requirements of this Directive during the preceding month. The report and review shall include verification of the Institution's prompt corrective action capital category and confirmation that the Institution is in compliance with: (i) all restrictions that apply automatically to an institution in that category, and (ii) with the other restrictions and requirements contained in this Directive. This review shall be documented in the minutes of the meeting of the Board. All documentation considered by the Board in performing its review shall be explicitly referenced in the minutes of the meeting at which the review was undertaken.

(b) By the fifteenth (15th) day of each month, the Institution shall submit the following documents to the OTS in a format acceptable to the OTS:

- (i) a summary of actions taken, during the immediately preceding month, by the Institution and its Board of Directors and executive officers in furtherance of the Institution's efforts to engage in a securities issuance and/or merger/acquisition,

as required by paragraphs (a) and (b) of Section 1.1, including descriptions of any material discussions with potential investor(s), acquiror(s) or merger partner(s), any letters of intent entered into with potential investor(s), acquiror(s) or merger partner(s) and any due diligence performed by potential investor(s), acquiror(s) or merger partner(s);

- (ii) confirmation of the Institution's compliance with this Directive or a description of any instance of noncompliance with any of the Institution's obligations under this Directive and the specific measures undertaken to cure such noncompliance; and
 - (iii) if requested, copies of the minutes of the Institution's Board of Directors supporting actions taken to comply with this Directive.
- (c) The OTS directs the actions required by this Section 1.2 pursuant to 12 U.S.C. § 1831(o)(f)(2)(J), and based upon a determination by the OTS that such action will better carry out the purposes of Section 38 of the FDIA.

Section 1.3. Adequate Progress

If the OTS, in its sole discretion, determines that the Institution is failing to make adequate progress towards achieving the requirements set forth in Sections 1.1 of this Directive, the OTS may take such further supervisory, enforcement or resolution action as it deems appropriate.

PART II - OPERATING RESTRICTIONS

Section 2.1. Compliance with Mandatory Restrictions.

The Institution shall comply with all of the mandatory prompt corrective action provisions contained in Section 38 of FDIA, 12 U.S.C. § 1831o, that automatically apply to the Institution based upon the Institution's prompt corrective action capital category. These provisions are set forth at 12 U.S.C. §§ 1831o(d)(1) (capital distributions restriction), (d)(2) (management fees restriction), (e)(3) (asset growth restriction), (e)(4) (restrictions on acquisitions, branching, and new lines of business), (f)(4) (senior executive officers' compensation restriction), (h)(2) (prohibition on payment of subordinated debt), and (i) (restrictions on activities). However, if the Institution should improve from a lower to a higher PCA capital category, it must continue to comply with the previously applicable mandatory sanctions of the lower category, until such time as approval to cease compliance with the lower category sanctions is requested of and received from the OTS.

Section 2.2. Restriction on Transactions with Affiliates and Insider Loans

(a) The Institution shall not engage in any "covered transactions" as defined in 12 U.S.C. § 371c(b). The OTS is imposing this restriction, pursuant to 12 U.S.C. §§ 1831o(f)(5) and

(i)(2)(E), based upon a determination by the OTS that the restriction is necessary to carry out the purpose of Section 38 of the FDIA.

(b) The Institution shall provide 30 days prior notice, and opportunity to object, to the OTS of any and all proposed transactions with affiliates not otherwise prohibited by Section 2.2(a). The OTS is imposing this restriction pursuant to the authority at 12 U.S.C. § 1831o(f)(2)(B) and 12 C.F.R. § 563.41(c)(4).

Section 2.3. Restrictions on Interest Rates.

The Institution shall restrict the rates it pays on deposits to the prevailing rates of interest on deposits of comparable amounts and maturities in the Institution's normal market area, and shall comply fully with the restrictions set forth in the FDIC's brokered deposit regulation, 12 C.F.R. § 337.6. Nothing herein shall be construed as requiring a reduction of rates paid on outstanding time deposits prior to their renewal. The OTS is imposing the restriction set out in this section pursuant to the authority at 12 U.S.C. § 1831o(f)(2)(C).

Section 2.4. Restrictions on Activities.

(a) The Institution's lending and investment activities are restricted as provided by this Section 2.4. The OTS imposes these restrictions pursuant to 12 U.S.C. §§ 1831o(f)(2)(E) and 1831o(f)(2)(J), having determined that those activities not permitted pose excessive risk to the Institution in view of its deteriorating financial condition.

(b) Restricted Activities. Except as permitted by subsection (c) of this Section 2.4 or as may be required by legally binding written commitments of the Institution outstanding on the Effective Date, the Institution shall not directly or indirectly do the following:

(1) make, invest in, purchase, sell, refinance, extend, deal in (including loan brokering) or otherwise modify, or commit to make, invest in, purchase, sell, refinance, extend, deal in (including loan brokering) or otherwise modify any loan secured by real estate or any participation therein or any real estate investment (including, but not limited to, any loan to finance the acquisition, development and/or construction of real property), or any set of such loans, participations, or investments. All marketing and advertising related to loans not permitted herein shall be immediately discontinued;

(2) make, invest in, purchase, sell, refinance, extend, or otherwise modify, or commit to make, invest in, purchase, sell, refinance, extend, or otherwise modify any commercial loans, letters of credit, participations therein, or any set of such loans, letters of credit, or participations;

(3) make, invest in, purchase, sell, refinance, extend or otherwise modify or commit to make, invest in, purchase, sell, refinance, extend or otherwise modify any consumer or education loans;

(4) release any borrower or guarantor from personal or corporate liability on any loan or extension of credit granted by the Institution, except when the outstanding balance of the loan and other outstanding loans to the borrower or guarantor have been paid in full;

(5) sell, pledge, or exchange any loan secured by real estate, or participation therein, or real estate investment, security, or other asset, or any set of such loans, participations, real estate investments, or securities, or other assets except as may be required pursuant to legally binding commitments, existing as of the Effective Date, calling for mandatory delivery of home mortgage loans;

(6) make, or commit to make, any investment in any service corporation, finance subsidiary, or operating subsidiary, or any subsidiary of a service corporation or in real estate or equity securities;

(7) enter into any joint venture or limited partnership agreement, directly or indirectly;

(8) engage in any forward commitment (except for firm commitments not exceeding 60 days for the purchase of FHLMC and GNMA securities), futures transaction, or financial options transaction;

(9) enter into any contract or agreement for the purchase, sale, or lease of goods, materials, equipment, supplies, services or capital assets, except, however, that this restriction does not apply to contracts or agreements to be entered into in the ordinary course of business where the amount of each such contract or agreement does not exceed \$10,000;

(10) enter into any lease or contract for the purchase or sale of real estate or of any interest therein, except, however, that this restriction does not apply to such contracts to be entered into in the ordinary course of business for the sale of real estate owned due to foreclosure where the consideration for the contract does not exceed \$100,000;

(11) encumber any of its property or other assets, except, however, that the Institution may pledge its assets in connection with borrowings necessary to meet liquidity needs;

(12) incur any material obligation or contingent liability, except as otherwise permitted by this Directive;

(13) establish any branch, loan production or agency office; or

(14) accept any non-cash capital contribution.

(c) Permitted Activities. The Institution is permitted to engage in the following lending (including origination) and investment activities, provided that: (i) any loans or investments are either readily salable or are eligible collateral for borrowings from a Federal Home Loan Bank or a Federal Reserve Bank with a maximum excess collateral requirement ("haircut") of no greater than 10% and (ii) the Institution engages in such activities in a prudent manner:

(1) Home Mortgage Loans. Origination of Home Mortgage Loans that have a documented loan-to-value ratio ("LTV") (or combined loan-to-value ratio ("CLTV") no greater than eighty percent (80%) at origination, unless any loan amount in excess of eighty percent (80%) is insured by private mortgage insurance provided by an issuer approved by the Federal Home Loan Mortgage Corporation ("FHLMC") or the Federal National Mortgage Association ("FNMA"), and is one of the following types:

- (A) A conforming loan underwritten in accordance with criteria established for residential loans eligible for purchase by FHLMC or FNMA ("Conforming Loan"), with evidence in the loan file indicating that the loan does, in fact, conform to FHLMC and/or FNMA standards (except principal amount limitations where applicable),
- (B) Guaranteed by the Department of Veterans Affairs against default ("VA Mortgage"), or
- (C) Insured by the Federal Housing Administration against default ("FHA Mortgage").

(2) Savings Account Loans: Loans fully secured by savings or time deposit accounts over which the Institution establishes proper collateral controls.

(3) Guaranteed Student Loans: Advancement of funds evidenced by notes guaranteed by State or Federal Government guarantors.

(4) Lines of Credit on Checking and NOW Accounts: Lines of credit of no more than \$5,000 underwritten in accordance with all applicable OTS regulations, with overdrafts on checking accounts permitted consistent with customary and prudent banking practice.

(5) Consumer Loans: Unsecured consumer loans not exceeding \$15,000.

(6) Secondary Marketing Sales: Sale of Home Mortgage Loans (within the meaning of Subsection (c)(1) above) in the secondary market without recourse and prudently managed forward commitments in connection therewith.

(7) Salvage Power Activities: Acquisition of property in satisfaction of debt previously contracted in connection with the exercise of the Institution's salvage powers, provided that the Institution may release a guarantor/borrower from personal liability in order to obtain title to real property only if it is able to document that: (i) the current appraised value of the property equals or exceeds the book value of the loan; or (ii) the net value to be gained from further pursuing the borrower/guarantor is de minimis, considering costs of legal action and possible value to be obtained. Any such transactions which result in the release of guarantor or

borrower from an obligation which results in a deficiency exceeding \$15,000 are subject to prior notice to, and opportunity to object, by the OTS.

(8) Liquid Assets: Investments in Cash Equivalents.

Section 2.5. Liquidity Requirement/Borrowing Capacity

(a) The Institution shall, at all times, have and maintain a balance of Cash or Cash Equivalents of not less than 5% of total assets as reported in the most recent quarterly Thrift Financial Report (TFR), Line SC60 (Total Assets).

(b) The Institution shall, at all times, maintain sufficient unpledged assets (giving effect to the applicable margin requirements or "haircut" requirements) that will enable it to secure advances from a Federal Home Loan Bank or a Federal Reserve Bank in an amount which, when added to the Institution's credit facilities not then drawn on, will equal not less than 10.0% of Total Assets.

(c) The Institution shall immediately notify the OTS of any violation of this Section. The OTS imposes this Section, pursuant to 12 U.S.C. § 1831o(f)(2)(J), based upon a determination by the OTS that the actions hereunder will better carry out the purposes of Section 38 of the FDIA.

Section 2.6. Process for Exemptions from Restrictions

(a) The Institution may submit written requests to the OTS, requesting the OTS to issue a notice of non-objection for the purpose of either relieving the Institution from certain restrictions hereunder, or requesting the OTS to provide notice of supervisory non-objection with respect to a particular specifically identified transaction, loan, or investment.

(b) Requests for written notice of non-objection of the OTS to make loans or investments must be accompanied by a resolution of the Board, signed by each individual member of the Board voting in favor of the resolution, finding as follows:

(1) management is capable of underwriting and administering the loans or investments in a safe and sound manner;

(2) the Board has adopted policies and procedures to ensure that the loans or investments are prudently underwritten and administered;

(3) internal controls measuring compliance with such policies and procedures are in place;

(4) during the preceding 12 months, the Institution has not experienced significant losses in connection with similar loans or investments; and

(5) the loans or investments contemplated are necessary to preserve the Institution's franchise value.

All documentation considered by the Board in adopting each such resolution shall be explicitly referenced in the minutes of the meeting at which the resolution was adopted and shall be made available to representatives of the OTS upon request.

Section 2.7. Imposition of Restrictions/Requirements On Subsidiaries.

The Institution shall cause all subsidiaries in which the Institution owns a majority of the stock to abide by the restrictions, limitations or requirements imposed on the Institution by this Directive. The Institution shall also vote its shares, use its influence and otherwise use its best efforts to impose the same restriction on any subsidiary of which the Institution owns a minority of the stock. The Institution shall immediately notify OTS in the event that the actions of any subsidiary would contravene the restrictions, limitations or requirements of this Directive if undertaken directly by the Institution. This restriction is imposed pursuant to authority at 12 U.S.C. § 1831o(f)(2)(E).

PART III - GENERAL PROVISIONS

Section 3.1. Definitions.

All technical words or terms used in this Directive, for which meanings are not specified or otherwise provided by the provisions of this Directive, 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.

“Cash Equivalents” means any of the following, to the extent owned by the Institution free and clear of all Liens and having a maturity of not greater than 365 days from the date of issuance thereof: (i) federal funds sold that are reported on Line SC125 of the Thrift Financial Report (ii) readily marketable direct obligations of the Government of the United States or any agency or instrumentality thereof or obligations unconditionally guaranteed by the full faith and credit of the Government of the United States, (iii) insured certificates of deposit of or time deposits with any FDIC-insured depository institution and (iv) other assets determined to be acceptable in writing by the Regional Director

“Home Mortgage Loan” means a mortgage loan secured by a borrower’s primary residence and that is not a “Business purpose loan” defined at 24 C.F.R. § 3500.5(b).

“Effective Date” has the meaning set forth in Section 3.9 of this Directive.

Section 3.2. Successor Statutes, Regulations, Guidance Amendments.

Reference in this Directive to provisions of statutes and regulations shall be deemed to include references to all amendments to such provisions as have been made as of the effective date hereof and references to successor provisions as they become applicable.

Section 3.3. 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 Institution shall be in writing and sent by first class U.S. mail (or by reputable overnight courier, electronic facsimile transmission, or hand delivery via messenger) addressed as follows:

| To the OTS: | To the Institution: |
|--|--|
| Michael E. Finn Regional Director Office of Thrift Supervision Department of the Treasury Harborside Financial Center Plaza Five, Suite 1600 Jersey City, New Jersey 07311 | Board of Directors c/o David B. Hartman, Chairman of the Board Ameribank 68400 Stewart Drive St. Clairsville, Ohio 43950 |

Section 3.4. Duration, Termination or Suspension of the Directive.

(a) The terms and provisions of this Directive shall be binding upon the Institution and its successors in interest.

(b) The Directive shall remain in effect until terminated, modified or suspended in writing by the OTS.

(c) The OTS, in its discretion, may, by written notice, suspend any or all provisions of the Directive, except for Section 2.1.

Section 3.5. Effect of Headings.

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

Section 3.6. Separability Clause.

In case any provision in this Directive 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 OTS, in its sole discretion, determines otherwise.

Section 3.7. No Violations Authorized; Consequences of Directive

Nothing in this Directive, including, without limitation, any of the time-frames for actions set forth in Part I, shall be construed as: (i) allowing the Institution to violate any law, rule, regulation, or policy statement to which it is subject or (ii) restricting the OTS from taking such actions as are appropriate in fulfilling the responsibilities placed upon it by law, including, without limitation, actions pursuant to Section 38 of the FDIA, or taking any other type of supervisory, enforcement, or resolution action that the OTS determines to be appropriate.

Section 3.9. Other Enforcement Documents.

The Order to Cease and Desist (OTS Order NE 07-14, dated October 19, 2007) remains in effect and fully enforceable. Nothing in this Directive shall affect or limit OTS's ability to take enforcement action in connection with any violation of OTS Order NE 07-14.

Section 3.9. Effective Date, Incorporation of Stipulation.

This Directive is effective on the Effective Date as shown on the first page. The Stipulation is made a part hereof and is incorporated herein by this reference.

Section

IT IS SO ORDERED.

OFFICE OF THRIFT SUPERVISION
By:

/s/

Michael E. Finn
Regional Director

Date: See Effective Date on page 1

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

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| In the Matter of: |) | |
| |) | |
| AMERIBANK |) | OTS Order No: NE 08-11 |
| Northfork, West Virginia |) | |
| |) | |
| (OTS No. 14177) |) | Effective Date: August 25, 2008 |
| |) | |
| |) | |

**STIPULATION AND CONSENT TO
PROMPT CORRECTIVE ACTION DIRECTIVE**

1. The Office of Thrift Supervision (OTS) has informed Ameribank, Northfork, West Virginia, (the Institution), based upon information reported to OTS, that grounds exist to issue a Prompt Corrective Action Directive (PCA Directive) pursuant to Section 38 of the Federal Deposit Insurance Act (FDIA), 12 U.S.C. § 1831o, and Section 565.7 of the OTS Regulations, 12 C.F.R. § 565.7, against the Institution. The Institution, in the interest of cooperation and to avoid the time and expense of pursuing further OTS administrative procedures for the issuance of a PCA Directive, stipulates and consents to the terms set forth in this Stipulation and Consent.
2. The Institution stipulates it is a federal savings association subject to the supervision and regulation by OTS. The Institution is a "savings association" as that term is used in the Home Owners' Loan Act (HOLA), 12 U.S.C. §§ 1461 *et seq.*, and an "insured depository institution" as defined in 12 U.S.C. §§ 1813(b) and 1813(c)(2). The Institution stipulates, as such, it is subject to OTS's authority to issue a directive to take prompt corrective action pursuant to Section 38 of FDIA, 12 U.S.C. § 1831o, and Section 565.7 of the OTS Regulations, 12 C.F.R. § 565.7.
3. The Institution consents, by execution of the Stipulation and Consent, to OTS's issuance by of the accompanying PCA Directive. The Institution further agrees to comply with the terms of the PCA Directive.
4. The Institution consents, by execution of this Stipulation and Consent, to OTS's appointment of a conservator or receiver or other legal custodian for the Institution at any time that the Institution is "significantly undercapitalized" or "critically undercapitalized" and until such time as the Institution becomes "adequately capitalized" as determined pursuant to Section 38 of FDIA, 12 U.S.C. § 1831o, and Section 565.4 of the OTS Regulations, 12 C.F.R. § 565.4. The Institution hereby waives its rights to seek judicial review of such appointment.

5. The Institution, by execution of this Stipulation and Consent, acknowledges that OTS may provide otherwise confidential information about the Institution to third parties to facilitate the possible acquisition of the Institution by a qualified buyer, sale of the Institution's assets or the purchase of the Institution's branches, or the possible merger of the Institution with a qualified merger partner.
6. The Institution, by execution of this Stipulation and Consent, authorizes the Federal Deposit Insurance Corporation (FDIC) to provide otherwise confidential information to third parties to facilitate the liquidation or other resolution of the Institution in anticipation of the possible appointment of FDIC as conservator, receiver, or other legal custodian. The Institution hereby agrees that it will cooperate fully with FDIC to avoid a loss or otherwise minimize exposure to the insurance fund. Such cooperation includes, but is not limited to, responding to requests for information, providing full access to personnel, agents and service providers, and accommodating on-site visits and due diligence efforts.
7. The attached PCA Directive is effective upon issuance. The Institution acknowledges that the PCA Directive is enforceable pursuant to Section 5(d) of HOLA, 12 U.S.C. § 1464(d), and Section 8 of FDIA, 12 U.S.C. § 1818.
8. The Institution hereby waives the following:
 - (i) its rights to pursue OTS's administrative process for issuance of the accompanying PCA Directive pursuant to 12 C.F.R. § 565.7;
 - (ii) any and all rights it might otherwise have pursuant to federal law or regulations (including, but not limited to, 12 U.S.C. § 1831o and 12 C.F.R. § 565.7) in connection with issuance of the PCA Directive;
 - (iii) its right to seek judicial review of the PCA Directive, including, but not limited to, any such right provided by Section 8(h) of FDIA, 12 U.S.C. § 1818(h); and
 - (iv) its right to challenge or contest in any manner the basis, issuance, validity or enforceability of the PCA Directive or any provision thereof.
9. (a) The laws of the United States of America shall govern the construction and validity of this Stipulation and Consent and the Directive.

(b) All references to OTS in this Stipulation and Consent and the Directive also shall mean any of the OTS's predecessors, successors, and assigns.

(c) To the extent this Stipulation and Consent and Directive may be deemed an agreement, the written terms herein and in the accompanying Directive represent the final and sole binding written terms of such agreement with respect to the subject matters addressed therein.

APPENDIX A TO STIPULATION AND CONSENT

Re: Ameribank

The undersigned members of the Board of Directors of Ameribank represent that, on Aug. 18, 2008, they voted in favor of a duly adopted resolution of the Board of Directors of the Institution that (i) authorizes the Institution to stipulate to OTS's issuance of the accompanying Prompt Corrective Action Directive, and (ii) authorizes and directs David B. Hartman having the title of Chairman of the Board of the Institution to execute on behalf of the Institution the Stipulation and Consent to Prompt Corrective Action Directive.

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Jack A. Baldini

15/

Robert W. Riggs

15/

Richard D. Caruso

15/

James M. Sutton

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David B. Hartman

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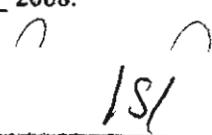
Edward Orisko

**SECRETARY'S CERTIFICATE CONCERNING
RESOLUTIONS ADOPTED BY THE BOARD OF DIRECTORS**

I, Betty Parnell, being the duly appointed and qualified corporate Secretary of Ameribank, which has its home office in Northfork, West Virginia hereby certify that:

- (1) Attached hereto as Annex A are true and complete copies of resolutions duly adopted by the Board of Directors of Ameribank at a duly called meeting of said Board of Directors held on August 18, 2008;
- (2) At said meeting of the Board of Directors a quorum was present and voting throughout; all members of the Board of Directors were present at said meeting [except none]; and all attending members of the Board of Directors [except none] voted in favor of said resolutions;
- (3) Such resolutions have not been amended, modified or rescinded and are now in full force and effect; and
- (4) Such resolutions are the only resolutions adopted by Ameribank's Board of Directors (or any committee thereof) relating to Ameribank's stipulation and consent to the issuance by the Office of Thrift Supervision ("OTS") of a proposed PROMPT CORRECTIVE ACTION DIRECTIVE (PCA Directive), which concerns an OTS determination described in the Stipulation and Consent document accompanying the proposed PCA Directive.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the seal of Ameribank on this 18th day of August 2008.


Name: Betty Parnell
Title: Secretary

(SEAL)

Attachment: Annex A

ANNEX A TO SECRETARY'S CERTIFICATE
RESOLUTIONS ADOPTED BY BOARD OF DIRECTORS
of
AMERIBANK

WHEREAS, Ameribank (the "Savings Association") is a savings association examined, supervised and regulated by the Office of Thrift Supervision ("OTS"); and

WHEREAS, the OTS has presented Ameribank with a proposed PROMPT CORRECTIVE ACTION DIRECTIVE (the "PCA Directive") and a related STIPULATION AND CONSENT TO PROMPT CORRECTIVE ACTION DIRECTIVE (the "Stipulation") that includes a consent to the appointment of a conservator or receiver; and

WHEREAS, Ameribank and the Board of Directors wish to cooperate with the OTS in OTS's efforts carry out the purpose of Prompt Corrective Action provisions of Section 38 of the Federal Deposit Insurance Act, 12 U.S.C. § 1831o, i.e. to resolve problems of insured depository institutions at the least possible long-term loss to the Deposit Insurance Fund; and

WHEREAS, the members of Ameribank's Board of Directors have read and considered the proposed PCA Directive and the Stipulation, which documents are to be appended to or otherwise made exhibits to the minutes of this meeting of the Board of Directors; and

WHEREAS, after due consideration and consultation with Ameribank's legal counsel, Ameribank's Board of Directors has determined that Ameribank should stipulate and consent to the OTS's issuance of the proposed PCA Directive in the interest of regulatory compliance and cooperation;

NOW, THEREFORE BE IT RESOLVED, that Ameribank's stipulation and consent to the OTS's issuance of the PCA Directive be and hereby is approved; and

RESOLVED FURTHER, that the Stipulation, providing for Ameribank's stipulation and consent to the OTS's issuance of the PCA Directive, be and is hereby approved; and

RESOLVED FURTHER, that the officers of Ameribank (including but not limited to the President and the Vice Presidents) be, and they each hereby are, authorized and empowered and directed to execute and deliver the Stipulation on behalf of Ameribank; and

RESOLVED FURTHER, Ameribank and its directors, officers and employees are authorized and directed to take all necessary steps to cause Ameribank – (i) to implement the requirements of the PCA Directive in accordance its terms and (ii) to comply in all respects with the PCA Directive.

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