

Press Releases

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OTS 00-69 - OTS Approves Triple-Step Transaction of Thrift and its Holding Company

Office of Thrift Supervision

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For further information

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OTS Approves Triple-Step Transaction of Thrift and its Holding Company

WASHINGTON, D.C., Aug. 15, 2000 - In a triple-step charter transaction approved by the Office of Thrift Supervision (OTS), Harris Savings Bank, Harrisburg, Pa., will convert from a state to a federal thrift institution while its parent company, Harris Financial, Inc., will execute a second-step conversion to a Pennsylvania stock holding company and simultaneously acquire York Federal Savings and Loan Association, York, Pa. The new company will be called Waypoint Financial Corp., and the merged thrift will be called Waypoint Bank.

The transaction is considered by OTS to be one of the most complex charter actions it has handled. Harris Bank is a \$2.77 billion asset institution while York has \$1.63 billion in assets. Their branch operations in Pennsylvania and Maryland markets are complementary, although several offices that overlap will be closed, and the enlarged Harris Bank will continue to provide traditional banking products and services to customers. In addition, OTS granted Harris authority to expand its existing small trust department that offers personal and employee benefit trusts.

The newly formed stock holding company will own all shares of the new federal thrift. The second-step conversion from a mutual holding company provides that each share of Harris Financial common stock held by the minority shareholders - approximately 24 percent - will convert to a right to receive the same percentage of common shares in the new holding company. Remaining shares will be available to the public in a subscription and community offering. Current depositors of Harris Savings Bank will receive priority subscription rights to purchase stock in the offering. Harris also received a waiver from the OTS conversion regulations to permit the exchange of up to 5 million shares, if they remain available after the subscription and common offerings, for shares of York Financial as part of the consideration for the merger.

In approving the multiple transactions, OTS requires Harris Savings to remain under OTS jurisdiction for a minimum period of three years.

Harris Savings Bank Approval Order - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2000-69a.pdf>

Harris Financial, M.H.C. Approval Order - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2000-69b.pdf>

Waypoint Financial Corporation Approval Order - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2000-69c.pdf>

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The Office of Thrift Supervision (OTS), an office of the U.S. Treasury, regulates and supervises the nation's thrift industry. OTS's mission is to ensure the safety and soundness of thrift institutions and to support their role as home mortgage lenders and providers of other community credit and financial services. For copies of news releases or other documents visit the OTS web page at www.ots.treas.gov.