

OFFICE OF THRIFT SUPERVISION

Service Corporation Reinsurance

Order No. 97-107

Date: October 10, 1997

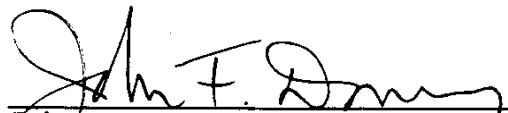
The Dime Savings Bank of New York, FSB, Uniondale, New York (the "Association") has entered into an agreement to acquire North American Mortgage Company, a company that is engaged in an activity not preapproved for service corporations pursuant to 12 C.F.R. Section 559.4(a). The Association, therefore, is seeking OTS approval for its new reinsurance subsidiary to reinsure a portion of private mortgage insurance issued by third party underwriters on loans originated by it or any of its mortgage lending subsidiaries.

The OTS has considered the complete record of the cause and the merits of the application to reinsure a portion of private mortgage insurance ("PMI"). In addition, the OTS has considered a digest by the OTS Northeast Regional Office, an analysis prepared by Corporate Activities and a legal opinion prepared by the Business Transactions Division. Based on this information and information contained in the application, the OTS has determined that the proposed activity is reasonably related to the activities of a Federal association and that the captive PMI reinsurance activity will be conducted in a manner that will not adversely affect the Association's safety and soundness.

Accordingly, the application is hereby approved subject to the following conditions:

1. That the OTS approval will be revoked if the activities described materially deviate from the representations in the application;
2. That the Association will submit an opinion from counsel, and thereafter annually a certification from the Board of Directors which states that the Association and the reinsurance subsidiary will maintain separate corporate identities in conformance with 12 C.F.R. Section 559.10; and
3. That the Association must engage in the proposed activity within six months of the date of this approval, unless an extension is granted by the Northeast Regional Director.

By order of the Director of the Office of Thrift Supervision, or his designee, effective October 10, 1997.



John F. Downey
Executive Director, Supervision