

OFFICE OF THRIFT SUPERVISION

Approval of Organization of a Federal
De Novo Stock Savings Bank

Order No.: 97-113

Date: November 7, 1997

Thomas N. Borshoff, Mark H. Chaplin, Theodore P. Katsampes and Linda L. Williams (the "Organizers"), have applied to the Office of Thrift Supervision ("OTS") to organize a Federal de novo stock savings bank to be known as Family Savings Bank, FSB, Rochester, New York ("Institution"), pursuant to Section 5(e) of the Home Owners' Loan Act ("HOLA"), 12 U.S.C. § 1464(e), and 12 C.F.R. § 552.2-1 thereunder.

The OTS has considered the Application under the standards set forth at 12 U.S.C. § 1464(e) and 12 C.F.R. §§ 552.2-1 and 543.3. In addition, the OTS has considered the digests prepared by the Northeast Regional Office and Corporate Activities, and a legal opinion from the Business Transactions Division. Also, the OTS has considered the proposed transaction under the Community Reinvestment Act, 12 U.S.C. §§ 2901 et seq., and OTS regulations thereunder, 12 C.F.R. Part 563e, to the extent applicable.

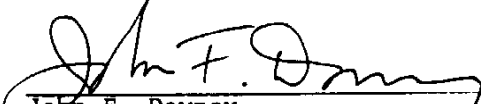
Based on the foregoing statutes, regulations and other materials, the OTS has concluded that the organization of the Institution would be in compliance with all applicable statutes and regulations. Accordingly, the application is hereby approved, provided that the following conditions are complied with in a manner satisfactory to the Northeast Regional Director, or his designee:

1. The Institution shall provide the Northeast Regional Office with copies of all required regulatory approvals prior to establishment of the Institution;
2. One business day prior to opening for business, the Organizers shall provide the Northeast Regional Office with a list containing the names and addresses of all individuals owning stock, stock options and/or warrants in the Institution, the amount of stock each individual shareholder owns, the principals of companies owning stock in the Institution, the total purchase price paid by each shareholder and any affiliation between the shareholders;
3. On the business day prior to opening for business, the Organizers shall advise the OTS that there have been no substantial changes with respect to the information currently before the OTS, including but not limited to the Institution's proposed directors, officers, shareholders or business plan; and that no additional information exists that would have a material adverse bearing on any feature of the application;

4. Within ten business days after opening for business, the officers, Organizers and directors shall provide the Northeast Regional Office with a certification from legal counsel that states the dates on which the Institution obtained insurance of accounts and opened for business, and that the Institution's organization has been consummated in accordance with the provisions of all applicable laws and regulations (including state and federal securities law requirements), the application, and this Order;
5. Prior to opening for business, the Organizers shall provide a copy of the signed lease agreement; and
6. The appointment of Mr. Martin Heller to the institution's board of directors is subject to FBI clearance.

Any time period specified herein may be extended by the Northeast Regional Director, for good cause, for up to 120 calendar days.

By order of the Director of the Office of Thrift Supervision, or her designee, effective November 7, 1997.


John F. Downey
Executive Director, Supervision