

OFFICE OF THRIFT SUPERVISION

Approval of Holding Company Application, Conversion to Federal Mutual Holding Companies and Election Under Section 10(l) of the Home Owners' Loan Act

Order No.: 2001-48

Date: July 12, 2001

Docket No.: H-3740, H-3741, N-2386

The Oneida Savings Bank, Oneida, New York (Bank) has submitted an election to be treated as a "savings association" for purposes of 12 U.S.C. § 1467a, pursuant to 12 U.S.C. § 1467a(l). Oneida Financial, MHC (MHC) and Oneida Financial Corp. (Holding Company) have applied to the Office of Thrift Supervision (OTS) for approval to convert to federally chartered mutual holding companies as described in the application, pursuant to § 10(o) of the Home Owners' Loan Act (HOLA), and to acquire the Bank, pursuant to § 10(e) of the HOLA, 12 U.S.C. § 1467a(e) and 12 C.F.R. § 574.3. (Collectively, the foregoing are referred to herein as the applications.)

OTS has considered the applications under the standards set forth in 12 U.S.C. §§ 1467a(e), 1467a(l), and 1467a(o), and 12 C.F.R. § 574.7 and Part 575. In addition, OTS has considered the holding company application under the Community Reinvestment Act, 12 U.S.C. §§ 2901, *et seq.*, and OTS regulations thereunder, 12 C.F.R. Part 563e. OTS has considered the digest by the OTS Northeast Regional Office, a legal opinion by the Business Transactions Division, and an analysis by Examination Policy (collectively, the Staff Memoranda). For the reasons set forth in the Staff Memoranda, OTS has determined that the applications satisfy all applicable statutory and regulatory criteria. Accordingly, the applications are hereby approved, provided that the following conditions are complied with in a manner satisfactory to the Northeast Regional Director, or his designee (Regional Director):

1. The MHC and the Holding Company must receive all required regulatory approvals prior to consummation of the transaction with copies of all such approvals provided to the Regional Director;
2. The transaction must be consummated within one hundred and twenty (120) calendar days from the date of this Order;
3. On the business day prior to consummation of the transaction, the chief financial officers of the MHC, the Holding Company, and the Bank must certify in writing to the Regional Director that no material adverse events or material adverse changes have occurred with respect to the financial condition or operations of the MHC, the Holding Company, or the Bank, as disclosed in the applications. If additional information having a material adverse bearing on any feature of the


applications is brought to the attention of the MHC, the Holding Company, the Bank, or the OTS since the date of the financial statements submitted with the applications, the transaction must not be consummated unless the information is presented to the Regional Director, and the Regional Director provides written non-objection to consummation of the transaction;

4. The MHC, the Holding Company, and the Bank must advise the Regional Director in writing within five calendar days after the effective date of the transaction: (a) of the effective date of the transaction; and (b) that the transaction was consummated in accordance with all applicable laws and regulations, the applications, and this approval letter; and
5. A copy of the executed amended Tax Allocation Agreement must be filed with the Regional Director no later than 30 calendar days after consummation of the transaction.

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

By order of the Director of the Office of Thrift Supervision, or her designee,
effective

July 12, 2001



Scott M. Albinson
Managing Director
Office of Supervision