

SUPERVISORY AGREEMENT

This Supervisory Agreement ("Agreement") is made and is effective this 15th day of June, 1995 ("Effective Date"), by and between Partners Savings Bank, Tampa, Florida, OTS No. 8285 ("Partners" or "Institution") and the Office of Thrift Supervision ("OTS"), an office within the United States Department of the Treasury, having its principal executive offices located at 1700 G Street, N.W., Washington, D.C., acting through its Southeast Regional Director or his designee ("Regional Director").

WHEREAS, the OTS is the primary federal regulator of the Institution; and

WHEREAS, based on the OTS' Report of Examination dated March 20, 1995 ("ROE"), the OTS is of the opinion that the Institution has engaged in acts and practices that: (i) have resulted in violations of certain of the laws or regulations to which the Institution is subject and/or (ii) are considered to be unsafe and unsound; and

WHEREAS, the OTS is of the opinion that grounds exist for the initiation of administrative proceedings against the Institution; and

WHEREAS, the OTS is of the view that it is appropriate to take measures intended to ensure that the Institution will: (i) comply with all applicable laws and regulations and (ii) engage in safe and sound practices; and

WHEREAS, the Institution, acting through its Board of Directors ("Board") and without admitting or denying any violations of laws or regulations and/or any unsafe and unsound practices, wishes to cooperate with the OTS and to evidence the intent to: (i) comply with all applicable laws and regulations and (ii) engage in safe and sound practices.

NOW THEREFORE, in consideration of the above premises, and the mutual undertakings set forth herein, the parties hereto agree as follows:

- 1. Compliance with Laws, Regulations & Safe and Sound Practices.

The Board shall take all necessary and appropriate actions to achieve compliance with the following laws, regulations, and safe and sound business practices:

- a. Section 563.93 of the OTS Regulations, 12 C.F.R. § 563.93 (regarding lending limitations);

b. Section 545.35(b) of the OTS Regulations, 12 C.F.R. § 545.35(b) (regarding other real estate loans); and

c. OTS Regulatory Bulletin 3a-1 (regarding growth policies).

2. Termination of Prior Cease and Desist Order.

As of the Effective Date of this Agreement, the November 25, 1991 Order to Cease and Desist issued against Partners by the OTS is terminated.

3. Capital Enhancement.

Partners shall increase its capital by at least \$1,010,000.00, through the sale of common stock of the Institution and in compliance with the following schedule:

<u>Additional Capital</u>	<u>Date</u>
\$500,000.00	by August 31, 1995
\$170,000.00	by December 31, 1995
\$170,000.00	by March 31, 1996
\$170,000.00	by June 30, 1996.

4. Business Plans.

a. By August 31, 1995, the Board shall develop, adopt, and submit to the Regional Director for his approval, the first of two business plans required by this Agreement. The first business plan shall cover the remainder of the Institution's current fiscal year, i.e. August 31, 1995 to June 30, 1996, and shall be implemented immediately upon approval by the Regional Director. The second business plan shall cover the fiscal year from July 1, 1996 to June 30, 1997, and shall be developed, adopted, and submitted to the Regional Director for his approval at least 60 days prior to July 1, 1996.

b. Each business plan shall describe in detail the Institution's specific goals and operating strategies for the time period covered by the plan. Each business plan shall reflect (i) the capital enhancements required by Paragraph 3 of this Agreement, (ii) any proposed increase in total assets during any quarter, in excess of an amount equal to net interest credited on deposit liabilities during the quarter, and (iii) the composition of asset, liability and capital accounts. Each business plan also shall include pro forma



financial statements and relevant assumptions for the period covered in the plan, in a format that facilitates comparison with the Institution's quarterly Thrift Financial Reports.

c. The Board shall review and document the Institution's compliance with the applicable business plan at least once each calendar quarter.

5. Growth Policies.

a. Within 30 days of the Effective Date of this Agreement, the Board shall adopt and implement policies and procedures to ensure that any increase in the Institution's total assets during any quarter complies with the provisions of OTS Regulatory Bulletin RB 3a-1, "Growth Policies Conformed to New Capital Standards", dated January 9, 1990 ("RB 3a-1").

b. In order to determine compliance with RB 3a-1 for the calendar quarter ending June 30, 1995, the Institution shall calculate its increase in total assets using the consolidated total assets figure reported on its quarterly thrift financial report as of March 31, 1995.

c. The Institution shall maintain documentation of the information and calculations used to determine its quarterly asset growth position and its compliance with the requirements of RB 3a-1.

6. Lending Limitations.

a. Partners shall not grant additional loans to any existing borrower whose total credit from the Institution would exceed the applicable lending limitations contained in 12 C.F.R. § 563.93.

b. Within 30 days of the Effective Date of this Agreement, the Board shall adopt and implement policies and procedures for monitoring, on a quarterly basis, loans to borrowers whose aggregate outstanding indebtedness to the Institution equals or exceeds \$500,000 and the primary security for the loan/s is not an owner occupied single family home.

7. Other Real Estate Loans.

Partners shall neither originate any nonresidential real estate loan, nor extend additional credit involving the advancement of cash on any existing nonresidential real estate loan, until such time as the Institution achieves and maintains at all times compliance with 12 C.F.R. § 545.35(b).



8. Capital Distributions.

Partners shall not make any capital distribution, as that term is defined in Section 563.134 of the OTS Regulations, 12 C.F.R. § 563.134, without the prior written approval of the Regional Director.

9. Director Responsibility.

Notwithstanding the requirements of this Agreement that the Board submit various matters to the Regional Director for the purpose of receiving his approval, non-objection or notice of acceptability, such regulatory oversight does not derogate or supplant each individual member's continuing fiduciary duty. The Board shall have the ultimate responsibility for overseeing the safe and sound operation of the Institution at all times, including compliance with the determinations of the Regional Director as required by this Agreement.

10. Compliance with Agreement.

The Board of the Institution shall take immediate action to cause the Institution to comply with the terms of this Agreement and shall take all actions necessary or appropriate thereafter to cause the Institution to continue to carry out the provisions of this Agreement.

11. Definitions.

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

12. Successor Statutes, Regulations, Guidance, Amendments.

Reference in this Agreement to provisions of statutes, regulations, and OTS Memoranda shall be deemed to include references to all amendments to such provisions as have been made as of the Effective Date and references to successor provisions as they become applicable.

13. Notices.

a. Except as otherwise provided herein, any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted by the Agreement to be made upon, given or furnished to, delivered to, or filed with:



(1) the OTS by the Institution, shall be sufficient for every purpose hereunder if in writing and mailed, first class, postage prepaid or sent via overnight delivery service or physically delivered, in each case addressed to the Regional Director, Southeast Region, Office of Thrift Supervision, 1475 Peachtree St., N.E., Atlanta, Georgia 30309 or telecopied to (404) 888-5634 and confirmed by first class mail, postage prepaid, overnight delivery service or physically delivered, in each case to the above address.

(2) The Institution by the OTS, shall be sufficient for every purpose hereunder if in writing and mailed, first class, postage prepaid, or sent via overnight delivery service or physically delivered, in each case addressed to the Institution at Partners Savings Bank, 1701 South Dale Mabry Highway or telecopied to (813)253-2930 and confirmed by first class mail, postage prepaid, overnight delivery service or physically delivered, in each case to the above address.

b. Notices hereunder shall be effective upon receipt, if by mail, overnight delivery service or telecopy, and upon delivery, if by physical delivery. If there is a dispute about the date on which a written notice has been received by a party to this Agreement, then, in the event such notice was sent by the United States mail, there shall be a presumption that the notice was received two Business Days after the date of the postmark on the envelope in which the notice was enclosed.

14. Duration, Termination Or Suspension of Agreement.

a. This Agreement shall: (i) become effective on the date it is executed by the OTS, acting through its Regional Director, whose signature appears below and (ii) remain in effect until terminated, modified or suspended in writing by the OTS, acting through its Director or the Regional Director.

b. The Regional Director in his or her sole discretion, may, by written notice, suspend any or all provisions of this Agreement.

15. Time Limits.

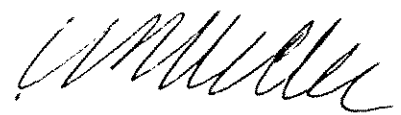
Time limitations for compliance with the terms of this Agreement run from the Effective Date, unless otherwise noted.

16. Effect of Headings.

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

17. Separability Clause.

In the event that any provision in this Agreement is declared 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 Regional Director, in his/her sole discretion, determines otherwise.

18. No Violations of Law, Rule, Regulation or Policy Statement Authorized; OTS Not Restricted.

Nothing in this Agreement 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 or estopping the OTS from taking any action(s) affecting the Institution that it believes are appropriate in fulfilling the responsibilities placed upon it by the several laws of the United States of America.

19. Successors in Interest/Benefit.

The terms and provisions of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their successors in interest. Nothing in this Agreement, express or implied, shall give to any person or entity, other than the parties hereto, the Resolution Trust Corporation, and the Federal Deposit Insurance Corporation and their respective successors hereunder, any benefit or any legal or equitable right, remedy or claim under this Agreement.

20. Signature of Directors.

Each Director signing this Agreement attests that he or she voted in favor of a resolution authorizing the execution of the Agreement.

21. Miscellaneous.

a. All references to the OTS in this Agreement shall also mean any of the OTS' predecessors, successors, and assigns.

b. The terms of this Agreement represent the final written agreement of the parties with respect to the subject matters hereof, and constitute the sole agreement of the parties with respect to such subject matters.

22. Enforceability of Agreement.

The Institution represents and warrants that this Agreement has been duly authorized, executed, and delivered, and constitutes, in accordance with its terms, a valid and binding obligation of the Institution. The Institution acknowledges that this Agreement is a "written agreement" entered into with the OTS within the meaning of Section 8 of the FDIA, 12 U.S.C. § 1818.



IN WITNESS WHEREOF, the OTS, acting by and through the Regional Director and the Institution, by a majority of its Directors, hereby execute this Agreement, intending to be legally bound hereby.

PARTNERS SAVINGS BANK, by a majority of its Directors,

OFFICE OF THRIFT SUPERVISION,
by:

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William R. McMullen

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Richard M. Riccobono
Acting Regional Director
Southeast Region

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Lawrence R. Hancock

Date: June 15, 1995

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Richard A. Stowers

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Henry Grady Sweat

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Evelyn J. Williams