

APPROVAL OF AN APPLICATION TO CONVERT TO A FEDERAL SAVINGS BANK
AND FOR WAIVER OF 12 C.F.R. SECTION 563.33(a)(1)(ii)

Order No. 96-86
Date: August 28, 1996

Preferred Savings Bank, Chicago, Illinois (the "Institution"), has filed an application with the Office of Thrift Supervision ("OTS"), pursuant to 12 C.F.R. Section 543.8, to convert from a state-chartered, mutual savings bank to a Federally chartered, mutual savings bank (the "Application"). In addition, the Institution has applied, in accordance with Section 500.30(a), for a waiver of the requirement contained in Section 563.33(a)(1)(ii) which prohibits more than two immediate family members from serving as directors of the same institution (the "Notice").

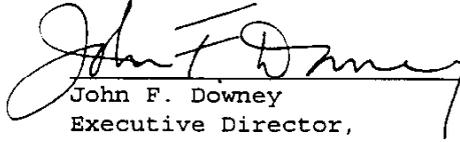
The OTS has considered the Application under the standards set forth at Section 5(e) of the Home Owners Loan Act ("HOLA"), 12 U.S.C. Section 1464(e), and the OTS Regulations thereunder at 12 C.F.R. Part 543. In addition, the OTS has considered a digest from the Central Regional Office, an opinion from the Business Transactions Division and an analysis from Corporate Activities. Based upon those considerations, the OTS has determined that the Application 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 Central Regional Director, or his designee:

1. Submission of a resolution by the board of directors within five (5) days of the post-conversion organization meeting, certifying that all investments and activities, if any, which are prohibited by HOLA will be disposed of, or discontinued at the earliest possible date, but in any event, no later than two years from the date of conversion, unless an extension for good cause is granted by the Central Regional Director;
2. Within five (5) days of consummation, submission of an opinion of independent legal counsel concluding that the charter conversion has been consummated in accordance with all applicable federal and Illinois regulatory requirements, the Plan of Charter conversion, and this letter; and
3. Consummation of the conversion within one year of the date of approval of the Application, unless an extension is granted by the Central Regional Director.

In addition, the OTS has considered the factors set forth in the Notice and in Section 500.30(a) and has determined that good cause exists to waive the

provision of Section 563.33(a)(1)(ii). Accordingly, we have no objection to Sylvester Ptak, his brother-in-law, Edward Wolak and his daughter, Kimberly Rooney, serving as directors of the Institution.

By Order of the Director of the OTS, or his designee, effective August 28, 1996.


John F. Downey
Executive Director,
Supervision