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SUPERVISORY AGREEMENT

This Supervisory Agreement ("Agreement") is made and is effective this 1st day of August, 1991, by and between First Missouri Federal Savings and Loan Association, Brookfield, Missouri, Docket No. 2639 (hereinafter referred to as "First Missouri" or the "Institution") and the Office of Thrift Supervision ("OTS"). This Agreement has been duly authorized, executed, and delivered, and constitutes, in accordance with its terms, a valid and binding obligation of the Institution and the OTS. It is understood and agreed that this Agreement is a "written agreement" entered into with the OTS within the meaning of 12 U.S.C. §§ 1818(b) and (i), as amended.

WHEREAS, the OTS is of the opinion that Institution has engaged in certain acts and practices in conducting the business of the institution, which would provide grounds for the initiation of cease and desist proceedings against the Institution by the OTS, and

WHEREAS, without either admitting or denying that the OTS has grounds for the initiation of cease and desist proceedings and in the interest of regulatory compliance and cooperation, Institution is willing to enter into this Agreement to avoid the initiation of cease and desist proceedings, and

WHEREAS, Institution and the OTS are both interested in avoiding timely and expensive proceedings and adverse publicity associated with the initiation of cease and desist proceedings, and

WHEREAS, the OTS is willing to forbear from the initiation of cease and desist proceedings on the subjects covered by this Agreement for so long as Institution is in compliance with the provisions of the Agreement that pertain to such subjects,

NOW, THEREFORE, in consideration of the OTS's above-stated forbearance from initiation of cease and desist proceedings against Institution, it is agreed between the parties hereto as follows:

- A. Appraisal Policy. Within 60 days of the effective date of this Agreement, the board of directors shall revise its appraisal policies and procedures to ensure that real estate loans are underwritten in a prudent manner and in compliance with applicable OTS regulations, including 12 C.F.R. Part 564. The revisions shall include, but not be limited to:
1. a requirement that all appraisals be prepared at the request and for the use of the Institution;
 2. a requirement that all appraisals contain a legal description of the appraised property;
 3. a requirement that appraisals of existing income producing properties contain analyses of current actual revenues and expenses;
 4. a requirement that all appraisals report and discuss a reasonable marketing period for the subject property;
 5. a requirement that narrative appraisals include supporting documentation which sustain the market value conclusions;
 6. a requirement that appraisers be independent of the underwriting and collection process and that they provide a

statement that the appraised value was not based on a requested minimum value, specific value, or a value necessary for loan approval;

7. guidelines for hiring and oversight of fee appraisers.

The revised policies and procedures and any subsequent modification thereto shall be submitted to the Regional Deputy Director for review and comment. Within thirty (30) days from receipt of any comment, and after consideration of such comment, the board of directors shall approve the revised appraisal policies and procedures, which approval shall be recorded in the minutes of the meeting of the board of directors. Thereafter, the Institution and its directors, officers, and employees shall implement and follow such policies and any modifications thereto. It is noted that Institution's board of directors revised policies and procedures on July 16, 1991, and submitted a copy to the OTS for review.

B. Commercial Real Estate Lending. The Institution shall not make or invest in any loan secured by nonresidential real estate until it has adopted revised nonresidential real estate loan policies and procedures as required under paragraph C of this Agreement.

C. Real Estate Loan Policies and Procedures. Within sixty (60) days of the effective date of this Agreement, the Institution shall revise its real estate lending policies and procedures to comply with applicable OTS regulations and to provide for prudent underwriting of real estate loans. The revision to the lending policies shall include, but not be limited to:

1. a requirement that an appraisal be obtained, signed, and reviewed prior to funding any loan secured by nonresidential real estate;
2. for all nonresidential real estate loans, a requirement that the Institution perform cash flow analysis and otherwise document borrower capacity to service the debt;
3. a requirement that no loans be purchased before the Institution's staff conducts a written review and analysis of the originator's underwriting standards. Such written review and analysis shall be reviewed and considered by the board of directors or a loan committee consisting of at least three outside directors prior to any final or unconditional commitment or approval to purchase said loan(s). The written review and analysis shall be documented in the minutes of the board of directors or loan committee meeting at which the loan(s) are considered for approval;
4. a requirement that the Institution maintain records showing the date, amount, purpose, and recipient of all loan proceeds;
5. a requirement that real estate loan applications be signed by the borrower(s) and identify the security property;
6. a requirement that loans to corporate entities be conditioned upon receipt of corporate resolutions authorizing the borrowing.

The revised policies and procedures and any subsequent modification thereto shall be submitted to the Regional Deputy

Director for review and comment. Within thirty (30) days from receipt of any comment, and after consideration of such comment, the board of directors shall approve the revised real estate loan policies and procedures, which approval shall be recorded in the minutes of the meeting of the board of directors. Thereafter, the Institution and its directors, officers, and employees shall implement and follow such policies and any modifications thereto. It is noted that Institution's board of directors revised policies and procedures on July 14, 1991, and submitted a copy to the OTS for review.

D. Compliance Program. Within sixty (60) days from the effective date of this Agreement, the Institution's board of directors shall adopt and implement a comprehensive and continuous internal compliance program. This compliance program shall include, but not be limited to:

1. the review and monitoring of conformance with the
Institution's operating policies and procedures;
2. an analysis of the Institution's records, systems, audit controls, and internal routine controls;
3. board of director review of compliance reports at monthly board meetings, which review shall be documented in the board minutes.

E. Undefined Words or Terms. 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 12 C.F.R. Parts 500 to

End (revised January 1, 1990) as updated by any amendments published in the Federal Register through the effective date of this Agreement, and any such technical words or terms used in this Agreement and undefined in said Code of Federal Regulations or Federal Register shall have meanings that accord with the best custom and usage in the savings and loan industry.

- F. This Agreement shall remain in effect until terminated by the OTS, acting through its Regional Deputy Director at the OTS. The Regional Deputy Director will grant written requests for termination if, in his opinion, the Institution has satisfactorily complied with the terms of this Agreement for two years.

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.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized officer or designated agent. A certified copy of the Resolution of the Board of Directors of Institution authorizing the execution of this Agreement is attached hereto and made part hereof.

FIRST MISSOURI FEDERAL SAVINGS AND
LOAN ASSOCIATION, BROOKFIELD,
MISSOURI

By: 151

OFFICE OF THRIFT SUPERVISION

By: 151

Regional Deputy Director

**CERTIFIED COPY OF
RESOLUTION OF
BOARD OF DIRECTORS**

I, the undersigned, being the duly qualified Secretary of First Missouri Federal Savings and Loan Association, Brookfield, Missouri ("Institution"), hereby certify that the following is a true copy of a resolution duly adopted by its board of directors at a meeting duly called and held on August 1, 1991, that at said meeting a quorum was present and voting throughout, and that said resolution has not been rescinded or modified and is now in full force and effect:

RESOLUTION

WHEREAS, the officers and directors of Institution have been advised that OTS representatives believe Institution to have engaged in certain acts and practices in conducting the business of the institution, which would provide grounds for the initiation of cease and desist proceedings against Institution by the OTS, and

WHEREAS, said officers and directors have been informed that the OTS will forbear from the initiation of cease and desist proceedings on the subjects covered by the attached Supervisory Agreement if it is executed by the Institution and its terms are thereafter carried out by the Institution, and

WHEREAS, the directors of Institution have read and considered the proposed Supervisory Agreement ("Agreement") attached to the minutes of the meeting of the board of directors held on August 1, 1991, and after due consideration, and in the

interest of regulatory compliance and cooperation, have determined to enter into the proposed Agreement:

NOW, THEREFORE, BE IT RESOLVED, That the proposed Agreement, a copy of which is attached hereto, be and is hereby approved by the board of directors of Institution. The President of the Institution is authorized to sign and execute this Agreement on behalf of the Institution. The officers and employees of Institution are directed and authorized to take all necessary steps to implement immediately the terms of the Agreement.

IN WITNESS WHEREOF, I have hereto subscribed my name and affixed the seal of Institution this 1st day of August, 1991.

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Secretary