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SUPERVISORY AGREEMENT

This Agreement ("Agreement") is made and is effective this 3rd day of December, 1991 ("Effective Date"), by and between The Mt. Washington Savings and Loan Company, ("OTS #0644") Cincinnati, Ohio ("Mt. Washington"), for itself 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. 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. Sections 1818(b)(1) and (i)(2).

WHEREAS, the OTS is of the opinion that Mt. Washington has engaged in unsafe or unsound practices in conducting the business of the institution, thereby providing grounds for the initiation of cease and desist proceedings against the institution by the OTS; and

WHEREAS, the OTS is willing to forbear at this time from the institution of cease and desist proceedings against Mt. Washington for its failure to comply with regulations and unsafe and/or unsound practices as set forth in the institution's Report of Examination dated August 12, 1991, for so long as the institution is in compliance with the provision of this Agreement; and

WHEREAS, in the interest of regulatory compliance and cooperation, Mt. Washington by its Board of Directors ("Board"), is willing to enter into this Agreement to avoid the initiation of such cease and desist proceedings;

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

Regulations

1. Mt. Washington shall correct existing violations cited in the Report of Examination dated August 12, 1991, and shall not initiate any action which would result in a violation of, or the aiding and abetting of any violation of 12 C.F.R. §§ 571.19, 563.170 and 571.26.

Unsafe and Unsound Practices

2. The Board of Directors will immediately take the necessary action to ensure documentation of all modifications of loans, in accordance with 12 C.F.R. Section 563.170(c)(1)(xii).

3. Within 60 days of the date of this Agreement, the Board of Directors shall adopt and submit to the Assistant Director of the Cincinnati Office of OTS for approval, a specific construction loan policy. Such policy shall contain, at a minimum, standards for underwriting and administering all construction loans, and shall address and correct the deficiencies cited on pages 4 and 5 of the Joint Report of Examination dated August 12, 1991.

4. Within 60 days from the date of this Agreement, the Board shall adopt policies and management shall implement procedures governing loan underwriting, acceptable to the Assistant Director, covering all types of loans granted by the institution. Such policies and procedures shall, at a minimum, address deficiencies noted on pages 8 and 9 of the Joint Report of Examination dated August 12, 1991.

5. Prior to receiving OTS approval of the loan underwriting policies and procedures pursuant to Paragraph 4 above, Mt. Washington shall not grant, commit

to grant, renew, or manually extend any additional loans, except single-family residential mortgage loans with loan-to-value ratios of 80 percent or less, and loans fully secured by deposits, including interest accrual.

6. Prior to granting, committing to grant, renewing, or manually extending any loan, Mt. Washington shall have in its possession documentary evidence that prudent loan underwriting policies and procedures have been complied with in all respects. Such evidence shall include, but not be limited to:

(a) A written application, signed and dated by the borrowers and guarantors stating the purpose of the loan;

(b) Financial statements of borrowers and guarantors certified by such borrowers and guarantors as true and correct. Where total loans to the borrowers exceed $250,000, financial statements shall be prepared in accordance with guidelines published by the American Institute of Certified Public Accountants;

(c) Current outside credit reports for all borrowers and guarantors, in conjunction with a written report signed by the responsible Mt. Washington employee evaluating any negative items contained in any such report;

(d) A document signed by the responsible Mt. Washington employee stating that material items in the borrowers' and guarantors' financial statements have been verified and analyzed to ensure that the borrower and guarantor have sufficient assets and cash flow to repay the loan under the terms of the note and/or guarantee;

(e) Evidence documenting the verification of the borrowers' employment and income signed by the Mt. Washington employee performing the verification;

(f) Evidence of the evaluation of the borrower's ability to repay the debt including calculation of the ratios of the borrower's proposed monthly housing cost to monthly income and total monthly debt obligations to monthly income; and

(g) For loans secured by real estate, an appraisal report which complies with the requirements of 12 C.F.R. Section 563.170(c)(1)(iv) and Part 564.

7. Within 60 days from the date of this Agreement, Mt. Washington's Board shall adopt policies, and management shall implement procedures acceptable to the Assistant Director, to enhance and strengthen collection efforts, so as to reduce the level of nonperforming loans.

8. Within 60 days of the date of this agreement, the Board will develop a Plan to reduce the level of nonperforming assets to a level acceptable to the Assistant Director. Such Plan will include specific goals and timetables as well as the strategy for achieving the reductions in nonperforming assets.

9. Within 30 days following the end of each quarterly reporting period, Mt. Washington will submit to the Assistant Director, a report of the progress in achieving the goals in the Plan for the reduction of nonperforming assets specified in Paragraph 8 of this Agreement. Such report shall include an explanation for variances of actual results from the planned goals.

10. Within 60 days of the date of this Agreement the Board shall, adopt a new asset classification policy which will incorporate the criteria for the classification of all assets contained in 12 C.F.R. Section 571.26 and will include a specific methodology for establishing adequate general valuation allowances.

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11. Within ~~60~~ 90 days of the date of this Agreement, the Board shall evaluate the management and staffing needs of the institution and shall act to fill those needs to provide for the safe and sound operation of the institution.

12. (a) Although the Board is by this Agreement required to submit certain proposed actions and programs for the review or approval of the Deputy Regional Director or his/her designee, the Board has the ultimate responsibility for proper and sound management of Mt. Washington. In and fulfilling its fiduciary duties, the Board may consider the reports of management, counsel, and other agents and consultants of the Board. Nothing contained herein shall require the Board or any member or agent thereof to take any action or omit to take any action inconsistent with his or her fiduciary duties.

(b) It is expressly and clearly understood that if, at any time, the OTS deems it appropriate in fulfilling the lawful responsibilities placed upon it by the several laws of the United States of America to undertake any lawful action affecting Mt. Washington, nothing in this Agreement shall in any way inhibit, stop, bar, or otherwise prevent the OTS from doing so.

(c) Any time limitations imposed by this Agreement shall begin to run from the effective date of this Agreement. Such time limitations may be extended by the Deputy Regional Director or his/her designee for good cause upon written application by the Board.

(d) All technical words or terms used in this Agreement, for which meanings are not specified or otherwise provided by the provision of this Agreement, shall, insofar as applicable, have meanings as defined in the rules and regulations adopted by the OTS (including, without limitation, Chapter V of Title 12 Code of Federal Regulation). Any such technical words or terms used in this Agreement and undefined in said rules and regulations shall have meanings that accord with the best custom and usage in the thrift industry.

(e) 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.

(f) It is understood that the execution of this Agreement shall not be construed as an approval of any application or notices that are contemplated by Mt. Washington.

(g) Any report or other document required by this Agreement to be submitted to the OTS shall be filed with the Office of Thrift Supervision, 525 Vine Street, Suite 700, Cincinnati, Ohio 45202, Attn: Assistant Director. All reports and other documents shall be deemed filed when received by the OTS.

(h) In the event any provision of this Agreement shall be declared invalid, illegal, or unenforceable; the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(i) The section headings used in this Agreement are for convenience of reference only and are not to affect the construction of or be taken into consideration in the interpretation of this Agreement.

(j) This Agreement shall remain in effect until terminated, modified, or suspended by the OTS, acting through the Regional Director or his designee.

IN WITNESS WHEREOF, the OTS, acting through its Deputy Regional Director, and Mt. Washington, by its board of directors, have executed this Agreement on the date first above written.

THE OFFICE OF THRIFT SUPERVISION
Cincinnati, Ohio

/S/
Jerry M. Benham
Deputy Regional Director

MT. WASHINGTON SAVINGS AND LOAN COMPANY
Cincinnati, Ohio

By: /S/
Director

By: /S/
Director

By: /S/
Director

By: /S/
Director

By: /S/
Director

By: /S/
Director

CERTIFIED COPY OF
RESOLUTION OF BOARD OF DIRECTORS

I, the undersigned, being the duly qualified Secretary of The Mt. Washington Savings and Loan Company, Cincinnati, Ohio, 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 December 3, 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

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 The Mt. Washington Savings and Loan Company, Cincinnati, Ohio. The officers and employees of The Mt. Washington Savings and Loan Company 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 The Mt. Washington Savings and Loan Company, this 3rd day of December, 1991.

/S/
Secretary