

SUPERVISORY AGREEMENT

This Supervisory Agreement ("Agreement") is made and is effective this 27 day of April, 1993 (the "Effective Date"), by and between Colorado Springs Savings and Loan Association, Colorado Springs, Colorado (the "Association"), a state chartered stock association, having its main office located at 111 South Cascade Avenue, Colorado Springs, Colorado, 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.

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

WHEREAS, based on the Report of Examination dated January 27, 1993 ("ROE") the OTS, by and through the Regional Director for the Midwest Region or his designee ("Regional Director") is of the opinion that the Association has engaged in acts and practices in operating the business of the Association that: (i) have resulted in violations of certain of the laws or regulations to which the Association 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 Association; and

WHEREAS, the OTS is of the view that it is appropriate to take measures intended to ensure that the Association will: (1) comply with all applicable laws and regulations and (2) engage in safe and sound practices; and

WHEREAS, the Board of Directors of the Association (the "Board") without admitting or denying any violations of laws or regulations and/or unsafe and unsound practices wishes to cooperate with the OTS and to evidence their intent to: (1) comply with all applicable laws and regulations and (2) engage in safe and sound practices.

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

COMPLIANCE WITH LAWS AND REGULATIONS

NOW, THEREFORE, in consideration of the OTS's above-stated forbearance, it is agreed between the parties hereto as follows:

1. Beginning on the effective date of this Agreement, the institution shall obtain the prior written approval of the Regional Deputy Director for the Midwest Region, OTS, or his designee Assistant Director I, Operations prior to entering into any transactions with affiliates, as specified in 12 C.F.R. Section 563.41(e)(2).
 - a. Notwithstanding anything in this paragraph to the contrary, prior approval of the OTS shall not be required with respect to a transaction with an affiliate if such transaction is not of a material nature and does not arise as a result of affirmative action by the Institution.
 - b. For purposes of this paragraph 1, transactions shall be deemed not to be of a material nature, if the transaction does not involve an expenditure of more than \$2,500 ("de minimis transactions"), provided, however, that all de minimis transactions shall comply with applicable statutes, regulations, and OTS policy, and provided, further, that if the Institution engages in transactions aggregating more than \$25,000 with an affiliate in any one calendar year, after the occurrence of the transaction that causes the Institution to exceed this \$25,000 threshold, the Institution shall provide notice of any additional transactions with that affiliate during the calendar year.
 - c. A transaction shall be deemed not to have occurred by reason of the affirmative action of the institution if such transaction arises by reason of Centennial Title Insurance Company providing title insurance with respect to a transaction between the Institution and a customer of or borrower from the Institution, or, if the Institution is obligated, directly or indirectly, to pay to an affiliate of the Institution, market rate utility charges and other charges relating to the furnishing of utilities.
2. Beginning July 31, 1993 and continuing on the last day of the month following each six-month period, the Institution will submit to the OTS, a report disclosing in detail all transactions with affiliates. The report shall contain, but shall not be limited to, the information described in 12 C.F.R. Section 563.41(e)(1)(i) through (vi).

3. The Board shall amend the institution's charter and bylaws as necessary to expand the Board to seven (7) members. The Board shall use its best efforts to add two additional outside directors, subject to the approval of the OTS. The Board shall submit a report to the Regional Deputy Director, on a monthly basis, detailing its progress in expanding the Board.

MISCELLANEOUS

4. Definitions

All technical words or terms used in this Agreement shall, insofar as applicable, have meanings as defined in Chapter V of Title 12 of the Code of Federal Regulations, HOLA, or the Federal Deposit Insurance Act ("FDIA"), and any such technical words or terms used in this Agreement and undefined in said Code of Federal Regulations, HOLA, or FDIA shall have meanings that accord with the best custom and usage in the savings and loan industry.

5. Compliance with Agreement.

- a. The Board and Executive Officers of the Association shall take immediate action to cause the Association to comply with the terms of this Agreement and shall take all actions necessary or appropriate thereafter to cause the Association to continue to carry out the provisions of this Agreement.
- b. The Board, on a quarterly basis, shall adopt a Board Resolution (the "Compliance Resolution") formally resolving that, following a diligent inquiry of relevant information (including reports of management), to the best of its knowledge and belief, during the immediately preceding calendar quarter, the Association has complied with each provision of this Agreement currently in effect, except as otherwise stated. The Compliance Resolution shall: (i) specify in detail how, if at all, full compliance was found not to exist, and (ii) identify all notices of exemption issued by the Regional Director that were outstanding as of the date of its adoption.
- c. The minutes of the meeting of the Board shall set forth the following information with respect to the adoption of each Compliance Resolution: (i) the identity of each Director voting in favor of its adoption; and (ii) the identity of each Director voting in opposition to its adoption or abstaining from voting thereon, setting forth each such Director's reasoning for opposing or abstaining.

d. No later than the 25th Calendar Day of the month following the end of a calendar quarter, beginning with the end of the first calendar quarter following the Effective Date, the Association shall provide to the Regional Director a certified true copy of the Compliance Resolution(s) adopted at the Board meeting of each month in such calendar quarter. The Board, by virtue of the Association's submission of a certified true copy of each such Compliance Resolution to the Regional Director, shall be deemed to have certified to the accuracy of the statements set forth in each Compliance Resolution, except as provided below. In the event that one or more Directors do not agree with the representations set forth in a Compliance Resolution, such disagreement shall be noted in the minutes of the Association.

6. 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.

7. Duration, Termination or Suspension of Agreement.

a. This Agreement shall: (i) become effective upon its execution by the OTS, through its authorized representative 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 (including any authorized designee thereof).

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

8. Time Limits.

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

9. Effect of Headings.

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

10. Separability Clause.

In case any provision in this Agreement is ruled to be 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.

11. No Violations of Law, Rule, Regulation or Policy Statement Authorized

a. Nothing in this Agreement shall be construed as: (i) allowing the Association 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) that it believes are appropriate in fulfilling the responsibilities placed upon it by law.

b. As an Association chartered under State law and subject to regulation and supervision by a State regulatory authority, the Association may be subject to various restrictions imposed by the appropriate State regulatory authority. The Association must continue to comply with any such restrictions, notwithstanding the receipt by the Association of authorizations or notices of non-objection of the Regional Director, except to the extent that such restrictions have been deemed to be pre-empted by Federal law.

12. 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 successors hereunder, any benefit or any legal or equitable right, remedy or claim under this Agreement.

13. Signature of Directors.

Each Director signing the Agreement attests, by such act, that she or he, as the case may be, voted in favor of the resolution, in the form attached to this Agreement, authorizing the execution of this Agreement by the Association.

14. Enforceability of Agreement.

The Association 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 Association. The Association 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 Association, in accordance with a duly adopted resolution of its Board (copy attached hereto), hereby execute this Agreement as of the Effective Date.

OFFICE OF THRIFT SUPERVISION

THE ASSOCIATION

By:

By:

15/
Name:
Title:

15/
Name:
Chief Executive Officer

DIRECTORS OF THE ASSOCIATION

15/
Director
15/
Director
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Director
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Director
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Director

Director
Director
Director
Director
Director
Director

The Colorado Division of Financial Services hereby acknowledges and concurs with the terms of the foregoing Agreement.

COLORADO DIVISION OF FINANCIAL SERVICES

By:

15/
David L. Paul
Commissioner

CERTIFIED COPY OF
RESOLUTION OF BOARD OF DIRECTORS

I, the undersigned, being the duly appointed and qualified Secretary of Colorado Spring Savings and Loan Association, Colorado Springs, Colorado ("the Association") hereby certify as follows:

1. A duly called meeting of the Board of Directors (Board) of the Association was held on April 21, 1993;

2. At said meeting a quorum was present and voting throughout;

3. The following is a true copy of resolutions duly adopted by the Association's Board, which resolutions have not been rescinded or modified and are now in full force and effect:

WHEREAS, the Board of the Association wishes to cooperate with the OTS and to demonstrate that said Board and the Association have the intent and ability to: (1) comply with all applicable laws and regulations and (2) engage in safe and sound practices; and

WHEREAS the Directors of the Association have read and considered the proposed Supervisory Agreement ("Agreement") which shall be attached to the minutes of this meeting; and

WHEREAS after due consideration, the Directors of the Association have determined to cause the Association to enter into the proposed Agreement which is in the best interest of the Association;

NOW THEREFORE, BE IT RESOLVED, that the Association be and it hereby is authorized to enter into the Agreement in the form attached to the minutes of the meeting,

FURTHER RESOLVED, that the execution and delivery of, and performance of all of the provisions of the Agreement be, and they hereby are, authorized and approved,

FURTHER RESOLVED, that the Directors and Officers of the Association be, and they hereby are, authorized and directed to execute and deliver the Agreement and to take all steps necessary or appropriate to implement the terms of the Agreement and to cause the Association to comply in all respects with the terms of the Agreement.

4. All members of the Board were present and voted at the meeting (except NA) and all members of the Board (except NA) voted in favor of the resolution;

IN WITNESS WHEREOF, I have hereto subscribed my name and affixed the seal of the Association on this 21st day of April, 1993.



Name: 151
Title: Secretary