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Docket #	6332
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SUPERVISORY AGREEMENT

This Agreement ("Agreement") is made and is effective this 7th day of October 1992 ("Effective Date"), by and between ILLINOIS GUARANTEE SAVINGS BANK, FSB (OTS Docket No. 06332), EFFINGHAM, ILLINOIS, ("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. It is understood and agreed that this Agreement is a "written agreement" entered into with the OTS within the meaning of Section 8(b)(1) and (i)(2) of the Federal Deposit Insurance Act, at 12 U.S.C. Sections 1818(b)(1) and (i)(2).

WHEREAS, the OTS is of the opinion that the Institution has not complied with certain of the regulations to which the Institution is subject in conducting its business, as recited in the Report of Compliance Examination as of July 6, 1992 ("Report"), and 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 initiation of cease and desist proceedings against the Institution for its failure to comply with regulations, as set forth in the Report for so long as the Institution is in compliance with the provisions of this Agreement; and

WHEREAS, in the interest of regulatory compliance and cooperation the Institution, 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 the Institution, it is agreed between the parties hereto as follows:

Statutes and Regulations

1. The Institution shall correct existing violations cited in this section and the Report and shall not initiate any action which would result in a violation of, or in the aiding and abetting of, any violation of:

12 C.F.R. § 226.18(d), pertaining to the disclosure of the finance charge;

12 C.F.R. § 226.18(e), pertaining to the disclosure of the annual percentage rate;

12 C.F.R. § 1607(a)(e), pertaining to administrative enforcement for the adjustment of finance charges;

12 C.F.R. § 226.18(g), pertaining to the payment schedule disclosure;

12 C.F.R. § 226.18(h), pertaining to the total payment disclosure;

12 C.F.R. § 226.22(a)(1), pertaining to the determination of the annual percentage rate;

12 C.F.R. § 563.99(c)(1)(2)(4), pertaining to incorrect disclosures of current interest rate, incorrect index value upon which the current interest rates are based and incorrect monthly payment due date and charge date;

24 C.F.R. § 3500.21(b) (1) to (6), pertaining to the failure to provide mortgage transfer disclosures;

12 C.F.R. § 205.7(a)(1) to (10), pertaining to the failure to provide the customer with a written statement reflecting the terms and conditions of the electronic funds transfer service;

12 C.F.R. § 205.8(b), pertaining to the failure to provide annual error resolution notices to customers who participate in the electronic funds transfer service; and

12 C.F.R. § 229.16(a), pertaining to the failure to provide funds availability disclosures to customers at the opening of a transaction account.

#### Compliance Program

2. Within sixty (60) days from the Effective Date of this Agreement, the Institution's compliance officer, with the Board's supervision, shall develop a written consumer compliance program ("the Program") designed to ensure that the Institution is operating in compliance with all applicable consumer protection laws, rules, and regulations and, at a minimum, include:

(a) the preparation of a policies and procedures manual covering all consumer protection laws, rules, and regulations;

(b) a detailed self-assessment program to test for compliance with consumer laws, rules, and regulations;

(c) periodic reporting of the results of the self-assessment to the Board; and

(d) the education and training of all appropriate Institution personnel in the requirements of all applicable consumer protection laws, rules, and regulations.

3. Within thirty (30) days of the completion of the Program, required pursuant to paragraph No. 2, the Board shall adopt the Program, the Institution shall implement the Program, and thereafter the Institution shall comply with the Program in all respects.

4. A copy of the Program required pursuant to paragraph No. 2 shall be forwarded to the OTS Assistant Director ("A.D.") upon adoption by the Board.

#### Regulation Z - Truth in Lending

5. Within sixty (60) days of the Effective date of this Agreement, the Board shall complete a file search of all Adjustable Rate Mortgage Loans ("ARMs") granted between March 1989 and February 1990 to determine which borrowers received inaccurate Truth in Lending disclosures.

6. Within thirty (30) days of the compliance with paragraph No. 5, the Board shall employ an independent third party to review and certify as to the accuracy of the file search results, required pursuant to paragraph No. 5.

7. Within thirty (30) days of compliance with paragraph 6, borrowers identified as having received incorrect Truth in Lending disclosures shall be provided with accurate disclosures and appropriate restitution, if necessary, as required by the Truth in Lending Act. The Institution shall maintain complete records of the file review, re-disclosures, and reimbursements.

8. Within one hundred twenty (120) days of the Effective Date of this Agreement, the Board shall submit to the OTS A.D. a summary report of its findings, reimbursements, and third party certification.

Adjustable Rate Mortgage Loan Disclosures

9. Within thirty (30) days of the Effective Date of this Agreement, the Board shall conduct a file search of 20% of the Institution's ARMs portfolio to determine if the Institution's ARMs adjustments comply with the terms of the respective notes. The ARMs sample shall be in sequential order by loan number.

10. If 5% or more of the loans included in the file search required pursuant to paragraph No. 9, have inaccurate ARMs adjustments, then the file search shall be expanded to 100% of the Institution's ARMs loan portfolio and completed within the same thirty (30) day time frame required in paragraph No. 9.

11. Within thirty (30) days of compliance with paragraphs No. 9 and 10, the Board shall employ an independent third party to complete a review and certify as to the accuracy of the ARMs file search.

12. Within thirty (30) days of compliance with paragraph 11, borrowers identified as having received ARMs adjustments that are not in compliance with the respective note(s), shall receive restitution. The Institution shall maintain complete records of the file review, re-disclosures, and reimbursements.

13. Within ninety (90) days of the Effective Date of this Agreement, the Board shall submit to the OTS A.D. a summary report of its findings, reimbursements, and third party certification.

Regulation X - Real Estate Settlement Procedures Act

14. Within sixty (60) days of the Effective Date of this Agreement, the Board shall require the Institution's Compliance Officer to provide all loan applicants since March 20, 1991, with a mortgage loan servicing transfer disclosure statement. The Board shall also require that the Program, identified in paragraph No. 2, include procedures for compliance with the mortgage loan servicing transfer requirements on all future mortgage loan applications.

Regulation E - Electronic Funds Transfer Act

15. Within sixty (60) days of the Effective Date of this Agreement, the Board shall develop and implement a policy to notify a customer, in writing, of the terms and conditions of the electronic funds transfer service. The policy shall also require an annual error resolution notice to all electronic funds transfer customers.

Regulation CC - Expedited Funds Availability Act

16. Within sixty (60) days of the Effective Date of this Agreement, the Board shall adopt a funds availability policy. At a minimum the policy shall:

(a) provide that the funds availability disclosures are provided to potential customers at the opening of a transaction account; and

(b) provide customers with a written notice of delayed availability.

Closings

17. Although the Board is by this Agreement required to submit certain proposed actions and programs for the review or approval of the Regional Director or his/her designee, the Board has the ultimate responsibility for proper and sound management of the Institution. In exercising and fulfilling its fiduciary duties, the Board may consider 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.

18. 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 the Institution nothing in this Agreement shall in any way inhibit, estop, bar, or otherwise prevent the OTS from doing so.

19. Any time limitations imposed by this Agreement shall begin to run from the effective date of this agreement, unless otherwise provided. Such time limitations may be extended by the Regional Director or his/her designee for good cause upon written application by the Board.

20. 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 the rules and regulations adopted by OTS (including, without limitation, Chapter V of Title 12 code of Federal Regulations). 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.

21. The terms and provisions of this agreement shall be binding upon, and insure to the benefit of, the parties hereto and their successors in interest.

22. 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 the Institution.

23. Any report or other document required by this Agreement to be submitted to OTS shall be filed with the Office of Thrift Supervision, 111 East Wacker Drive, Suite 800, Chicago, Illinois, 60601, Attn.: Robert L. Lindgren. All reports and other documents shall be deemed filed when received by the OTS.

24. 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.

25. 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.

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

