



Comptroller of the Currency
Administrator of National Banks

250 E. Street, S.W.
Washington, D.C. 20219-0001

**Conditional Approval #1038
August 2012**

April 5, 2012

Brian McCormally, Esq.
Arnold & Porter LLP
555 Twelfth Street, NW
Washington DC 20004-1206

Re: Aurora Bank FSB, Wilmington, Delaware
Reference Charter No. 706069

Bulk Transfer Application

Requests for No Supervisory Objection to Modifications to Business Plan
Under OTS Approval Order and Amended Consent Order

Dear Mr. McCormally:

The Office of the Comptroller of the Currency (“OCC”) conditionally approves the bulk transfer application filed on behalf of Aurora Bank FSB, Wilmington, Delaware (“Bank”) to sell deposits and certain assets described below, and takes no supervisory objection to modifications of the business plan (collectively, the “Filings”). The Bank submitted the Filings to the OCC on February 29, 2012. In making our determinations, we have relied in part on information and representations submitted in connection with the Filings.

The Bank filed the application pursuant to 12 C.F.R. § 163.22(c) (the “Application”), requesting OCC approval to transfer its residential and commercial mortgage servicing operations, as well as substantially all of its deposit liabilities, to unaffiliated third parties. The OCC has reviewed the Application under 2 C.F.R. § 163.22(d), which requires the OCC to consider: (i) the impact of the transaction on a federal savings association’s capital level; (ii) the federal savings association’s financial and managerial resources; (iii) the future prospects of the federal savings association; (iv) the convenience and needs of the communities to be served; (v) the conformity of the transaction to applicable law, regulation, and supervisory policies; and (vi) the fairness of and disclosure concerning the transaction.

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The OCC has reviewed the Application in accordance with applicable laws, regulations, and OCC policy, and concluded that it satisfies the applicable approval standards.

In addition, this letter responds to the Bank's request for no supervisory objection with respect to material modifications to the Bank's business plan. The Bank submitted this request pursuant to: (i) the requirements of Condition 8 of the Office of Thrift Supervision's ("OTS") Order No. 2010-67, dated November 29, 2010 ("Approval Order"); and (ii) the requirements of Paragraph 2 of the Amended Consent Order¹ issued by the OTS against the Bank on November 30, 2010.² After a careful and thorough review of your request, pursuant to Condition 8 of the Approval Order and Paragraph 2 of the Amended Consent Order, we pose no supervisory objection to the proposed modification of the Bank's business plan.

The approval of the Application and non-objection to the business plan modification requests are subject to the following condition:

The Bank shall: (i) give the Director of Special Supervision at least 60 days prior written notice of its intent to significantly deviate or change from the business plan or operations, and (ii) obtain the OCC's written determination of no supervisory objection before the Bank engages in any significant deviation or change from its business plan or operations not addressed in the Filings. The OCC may impose additional conditions it deems appropriate in a written determination of no objection to the Bank's notice.

This condition of approval is "imposed in writing by a Federal banking agency in connection with any action on any application, notice or other request" within the meaning of 12 U.S.C. § 1818. As such, the condition is enforceable under 12 U.S.C. § 1818.

The approval and no supervisory objection set forth herein is granted based on our understanding that other regulatory approvals, non-objections or waivers with respect to the proposed transaction will have been received prior to the transaction. Unless a timeframe is otherwise stated below, please ensure that you submit the following

¹ Amended Consent Order No. NE-10-33, dated November 30, 2010.

² On July 21, 2011 ("transfer date"), pursuant to § 312 of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act"), 12 U.S.C. § 5412(b)(2)(B)(i) (2010), all functions of the OTS relating to Federal savings associations (including the Bank) were transferred to the OCC. As a result, on July 21, 2011, the OCC assumed responsibility for the ongoing examination, supervision, and regulation of Federal savings associations (including the Bank). The Dodd-Frank Act continues in effect for all OTS orders, resolutions, determinations, agreements, regulations, interpretive rules, other interpretations, guidelines, procedures and other advisory materials in effect the day before the transfer date, and allows the OCC to enforce these issuances with respect to Federal savings associations, unless the OCC modifies, terminates, or sets aside such guidance or until superseded by the OCC, a court, or operation of law. Dodd-Frank Act § 316(b), 12 U.S.C. § 5414.

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information to the Problem Bank Specialist (Specialist) prior to consummation of the transaction:

- Copies of all related regulatory approvals not previously submitted;
- On the business day prior to the date of consummation of each of the proposed transactions, the Bank must certify in writing to the Specialist that no material adverse changes have occurred with respect to the transactions as disclosed in the Filings;
- If material adverse changes have occurred prior to consummation the transaction must not be consummated unless the information is presented to the OCC, and the OCC provides written no supervisory objection to consummation of the transaction; and
- The Bank must advise the Specialist in writing of the effective date of each transaction within five calendar days after each transaction consummates.

If the transactions are not consummated within 120 calendar days of the approval date, the approval and non-objections shall automatically terminate, unless the OCC grants an extension of the time period.

This approval and non-objections and the activities and communications by OCC employees in connection with the filings do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

Our approval and no supervisory objections are based on the Bank's representations, submissions, and information available to the OCC as of this date. The OCC may modify, suspend or rescind this decision if a material change in information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains.

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If you have any questions regarding the OCC's approval of the Application or non-objection to modification of the Bank's business plan, you may contact Brian Messett, Problem Bank Specialist, at (202) 874-4546 or at Brian.Messett@occ.treas.gov.

Sincerely,

/s/

Stephen A. Lybarger
Deputy Comptroller for Licensing

/s/

Kristina Whittaker
Deputy Comptroller for Special Supervision