



Corporate Decision #2015-02
March 2015

February 5, 2015

Steven Lanter, Esq.
Luse Gorman Pomerenk & Schick, PC
5335 Wisconsin Avenue, NW, Suite 780
Washington, DC 20015

Re: First Federal Savings and Loan Association of Delta, Delta, Ohio (Association)
Application to Convert from Stock to Mutual Form of Organization and to Establish an
Operating Subsidiary
OCC Control Nos.: R3-2014-0067, -0068, and -0069
Charter No.: 703313

Dear Mr. Lanter:

The Office of the Comptroller of the Currency (OCC) hereby approves the Association's application to convert from the stock form to the mutual form of organization (Remutualization) and to establish an operating subsidiary. These approvals are granted based on a thorough review of the applications, other materials you have supplied, and other information available to the OCC, including representations made in the applications by representatives of the Association during the application process. The OCC's approval is subject to the consummation requirements set forth herein.

Proposed Remutualization of the Association

The Association has filed with the OCC an application for approval to convert from a federally chartered stock savings association to a federally chartered mutual savings association, pursuant to section 5(i)(2)(A) of the Home Owners' Loan Act (HOLA). In addition, the Association has filed with the OCC an application to form an operating subsidiary in connection with one of the steps of the proposed Remutualization, pursuant to 12 CFR §§ 159.3 and 159.11. In order to effectuate the Association's Remutualization, the Association and its holding companies entered into a Plan of Dissolution, dated March 13, 2014 (Remutualization Plan). The Remutualization Plan provides for a series of transactions resulting in the dissolution of the current mutual holding company (MHC) structure. At the conclusion of the series of transactions, the mutual holding company and mid-tier holding company will cease to exist, and the Association will be organized as a federal mutual savings association. The Association will exchange its current federal stock charter and bylaws for a federal mutual charter and bylaws.

Discussion

With respect to the Remutualization, section 5(i) of the HOLA provides for the conversion of a federal savings association from the stock form to the mutual form. The forms of the Association's proposed mutual charter and bylaws are consistent with applicable regulations. With respect to the establishment of the operating subsidiary, OCC regulations provide that a federal savings association "must own, directly or indirectly, more than 50% of the voting shares of the operating subsidiary . . . [and] no one else must exercise effective operating control of the subsidiary."¹ The proposed operating subsidiary will be organized as a first-tier wholly owned operating subsidiary of the Association and no other party will exercise effective operating control over the subsidiary. The operating subsidiary will not engage in any operations and will be liquidated with and into the Association in connection with the Remutualization.

The Association's proposed operating subsidiary is permissible, and satisfies the requirements enumerated in 12 CFR Part 159.

Consummation Requirements

These approvals are granted based on our understanding that other applicable regulatory approvals, non-objections or waivers with respect to the proposed transaction will have been received prior to consummation of the transaction.

The Association must, within five (5) calendar days after the consummation of the Remutualization Plan, submit the following information to the OCC: (a) a certification stating the effective date of the Remutualization; (b) executed copies of the Association's federal mutual charter, the appropriate form of mutual bylaws as prescribed by 12 CFR § 144.5, and a certification by the Association's secretary that the copies are in conformity with the proposal of the board of directors in the Remutualization Plan and application; (c) evidence of required member approvals of the dissolution of the MHC structure contemplated by the Remutualization Plan; and (d) certification that the transaction was consummated in accordance with all applicable laws and regulations and the application.

These approvals 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. Our approval is based on the Association'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. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

¹ See 12 CFR § 159.3(c)(1) (2014).

First Federal Savings and Loan Association of Delta
OCC Control Numbers: R3-2014-0067, -0068, and -0069

A separate letter is enclosed requesting your feedback on how the OCC handled your application. We would appreciate your response so we may continue to improve our service.

If you have any questions, please contact Senior Licensing Analyst Stephanie Moss at (202) 649-7243 or by e-mail at Stephanie.Moss@occ.treas.gov.

Sincerely,

/s/

Stephen A. Lybarger
Deputy Comptroller for Licensing