

OFFICE OF THRIFT SUPERVISION

APPROVAL OF APPLICATION FOR PERMISSION TO ORGANIZE A FEDERAL SAVINGS BANK

Order No.: 2000-52

Date: June 16, 2000

Haralambos S. Kostakopoulos, Yasemin K. Kostakopoulos, Douglas J. Cestone, Paul Oesterle and Anthony J. Sansiveri (Organizers), have applied for approval of the Office of Thrift Supervision (OTS) pursuant to 12 U.S.C. §§ 1464(e), and 12 C.F.R. § 552.2-1 for permission to organize Fort Lee Federal Savings Bank, FSB, Fort Lee, New Jersey (the "Savings Bank").

The OTS has considered the Application under the factors set forth in 12 U.S.C. § 1464(e) and at 12 C.F.R. §§ 543.3 and 552.2-1 and other applicable statutes and regulations. The OTS also has considered the Application under the Community Reinvestment Act (CRA), 12 U.S.C. § 2901 *et seq.*, and the OTS regulations thereunder, 12 C.F.R. Part 563e.

In addition, the OTS has considered a digest from the Northeast Regional Office, an analysis prepared by the Office of Examination & Supervision, and a legal opinion from the Business Transactions Division (collectively, the Staff Memoranda). For the reasons set forth in the Staff Memoranda, the OTS finds that the Application satisfies the applicable approval standards, provided that the following conditions are complied with in a manner satisfactory to the Northeast Regional Director, or his designee (Regional Director). Accordingly, the Application is hereby approved, subject to the following conditions:

1. The Applicants and the Savings Bank must receive all required regulatory and shareholder approvals for the proposed transaction and submit copies of all such approvals to the Regional Director prior to consummation of the proposed transaction;
2. The proposed transaction must be consummated within one hundred and twenty (120) calendar days from the date of this Order;
3. On the business day prior to the date of consummation of the proposed transaction, the chief financial officers of the Applicants and the Savings Bank must certify in writing to the Regional Director that no material adverse events or material adverse changes have occurred with respect to the financial condition or operation of the Applicants and the Savings Bank as disclosed in the Applications. If additional information having an adverse bearing on any feature of the Applications is brought to the attention of the Applicants, the Savings Bank, or the OTS since the date of the financial statements submitted with the Applications, the transaction must not be consummated unless the information is presented to the Regional Director, and the Regional Director provides written non-objection to consummation of the transaction;
4. The Applicants and the Savings Bank must advise the Regional Director in writing within

5 calendar days after the effective date of the proposed transaction: (a) of the effective date of the proposed transaction; and (b) that the transaction was consummated in accordance with all applicable laws and regulations, the Applications, and this Order;

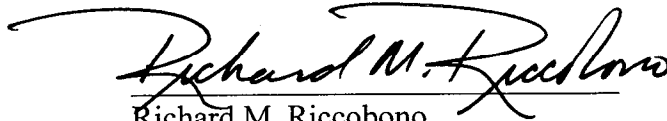
5. The Savings Bank must operate within the parameters of its business plan. The Applicants and the Savings Bank must submit any proposed major deviations or material changes from the plan (including changes resulting from decisions made by the Applicants), for the prior, written non-objection of the Regional Director. The request for change must be submitted a minimum of 60 calendar days before the proposed change is implemented with a copy to the FDIC Regional Office;
6. The Savings Bank must submit annual independent audit reports to the Regional Director for its first three fiscal years. These reports must be in compliance with the audit rules set forth at 12 C.F.R. § 562.4;
7. At least twenty days prior to opening, the Savings Bank must provide to the Regional Director a list of its stockholders, including names, addresses, number of shares, and percentage of total shares. Any individuals presumed to be acting in concert pursuant to 12 C.F.R. Section 574.4 must also be listed and all relationships disclosed;
8. No later than five days from the date the Savings Bank opens for business, the Savings Bank must file with the Regional Director a certification by legal counsel stating the effective date of the Savings Bank's insurance of accounts and its opening, and that the completion of the establishment of the Savings Bank has been consummated in accordance with the provisions of all applicable laws and regulations, the application, and the approval order;
9. No later than five days from the date the Savings Bank opens for business, the chief financial officer must provide to the Regional Director a reconciliation of capital for the Savings Bank;
10. The employment agreement between the Savings Bank and Dr. Haralambos S. Kostakopoulos shall not become effective until ratified by the board of directors, as evidenced by a board resolution.
11. During the first two years of operation, the Savings Bank must receive the prior written nonobjection of the Regional Director for the appointment of any director or senior officer;
12. Prior to their execution, all stock option and incentive plans and agreements that are to be implemented within the Savings Bank's first year of operations must be submitted to the Regional Director for his written non-objection and must receive the prior approval of the Savings Bank's shareholders;

13. No later than 60 days after opening for business, the Savings Bank shall appoint a Compliance Officer dedicated to the development, implementation and management of the Savings Bank's compliance program, including Federal fair lending and consumer protection laws and regulations;
14. No later than 30 days after opening for business, the Savings Bank must submit for the Regional Director's review and non-objection a compliance management program that covers Federal fair lending and consumer protection laws and regulations. The program must include, at a minimum, procedures to train and monitor all employees or others who offer or process the Savings Bank's products; and
15. No later than 30 days after opening for business, the Savings Bank must submit for the Regional Director's review and non-objection a fair lending program that includes, at a minimum, the frequency of monitoring, the scope and parameters of testing, and training.

The Regional Director, for good cause, may extend any time specified herein for up to 120 calendar days.

By order of the Director of the Office of Thrift Supervision, or her designee, effective

June 16th 2000.


Richard M. Riccobono
Deputy Director