

UNITED STATES OF AMERICA
OFFICE OF THRIFT SUPERVISION
DEPARTMENT OF THE TREASURY

In the Matter of:)
)
PREM NATH SAHAI, URMILA SAHAI,)
SUBHASH SAHAI, SUSHMA SAHAI,)
ANIL SAHAI, NUTAN SAHAI,)
NEENA GUPTA, WEBSTER CITY)
MEDICAL SERVICE, P.C.,)
SANJAY CHATRATH, PRITI GOEL,) Order No. MWR-97-05
ARUN KALRA and MARY CLAUSEN)
) Date: April 16, 1997
Institution-Affiliated)
Parties of Mid-Iowa Savings)
Bank, FSB, Newton, Iowa and)
its Holding Company, Mid-Iowa)
Financial Corporation,)
and of Other Insured)
Depository Institutions and)
their Holding Companies)
_____)

STIPULATION AND CONSENT TO ISSUANCE OF
AN ORDER TO CEASE AND DESIST FOR AFFIRMATIVE RELIEF AND
AN ORDER OF ASSESSMENT OF CIVIL MONEY PENALTIES

WHEREAS, the Office of Thrift Supervision ("OTS") based upon information derived from the exercise of its regulatory responsibilities, believes that grounds exist to initiate an administrative enforcement proceeding against Prem Nath Sahai; Urmila Sahai; Subhash Sahai; Sushma Sahai; Anil Sahai; Nutan Sahai; Neena Gupta; Webster City Medical Service, P.C.; Sanjay Chatrath; Priti Goel; Arun Kalra and Mary Clausen

("Respondents"), pursuant to 12 U.S.C. §§ 1464, 1467a, 1817(j) and 1818¹; and

WHEREAS, Respondents, individually and collectively, desire to cooperate with the OTS and to avoid the time and expense of administrative litigation, and, without admitting or denying that such grounds exist, or that the Findings of Fact or opinions and conclusions of the OTS are correct, except that the Director of the OTS has jurisdiction over Respondents, which is admitted, Respondents hereby stipulate and agree as follows:

1. Jurisdiction. (a) Mid-Iowa Savings Bank, FSB, Newton, Iowa, and its holding company, Mid-Iowa Financial Corporation (together "Mid-Iowa"); Home Federal Savings Bank, Sioux Falls, South Dakota, and its holding company, H.F. Financial Corporation (together "H.F. Financial"); Kirksville Federal Savings Bank, Kirksville, Missouri, and its holding company, Kirksville Bankshares, Inc. (together "Kirksville") and First Federal Savings Bank of Moline, Moline, Illinois, and its holding company, First Moline Financial Corporation (together "First Moline"), are, or were at all times relevant hereto, savings associations and insured depository institutions pursuant to 12 U.S.C. §§ 1467a(a)(1)(A) and 1813(b) and (c), or savings and loan holding companies and depository institution holding companies pursuant to 12 U.S.C. §§ 1467a(a)(1)(D) and 1813(w)(1) and (w)(3);

¹ All references to the United States Code ("U.S.C.") are as amended, unless otherwise indicated.

(b) Respondents, individually and collectively, have been, at all times relevant hereto, institution-affiliated parties of Mid-Iowa, H.F. Financial, Kirksville or First Moline pursuant to 12 U.S.C. § 1813(u)(2); and

(c) The Director of the OTS is the "appropriate Federal banking agency", pursuant to 12 U.S.C. § 1813(q), to maintain an administrative enforcement proceeding against institution-affiliated parties of savings associations, insured depository institutions, savings and loan holding companies, and depository institution holding companies pursuant to 12 U.S.C. §§ 1467a(g), 1817(j) and 1818(b), including actions for civil money penalties pursuant to 12 U.S.C. §§ 1467a(i)(2) and (i)(3), 1817(j)(16) and 1818(i)(2). Therefore, Respondents, individually and collectively, are subject to the jurisdiction of the OTS to initiate and maintain a cease and desist proceeding and a civil money penalty assessment proceeding against them pursuant to 12 U.S.C. §§ 1467a, 1817(j), 1818(b) and 1818(i). The Director of the OTS has delegated to the Regional Director of the Midwest Region of the OTS; or his designee, ("Regional Director") the authority to issue administrative orders where the subject(s) of such orders has consented to the issuance thereof.

2. OTS Findings of Fact. The OTS finds that:

(a) Control Act Violations

At all times relevant hereto, Respondents were "persons" "acting in concert" pursuant to 12 C.F.R. § 574.2 of the OTS Control Regulations, 12 C.F.R. Part 574 (1992), which are issued by the OTS pursuant to the Change in Bank Control Act, 12 U.S.C.

§ 1817(j). Respondents are presumed to be acting in concert pursuant to 12 C.F.R. § 574.4(d), because, inter alia: (i) Respondents Prem Sahai, Urmila Sahai, Anil Sahai, Nutan Sahai, Subhash Sahai, Sushma Sahai and Neena Gupta are members of the same "immediate family" as defined in 12 C.F.R. § 574.2(j); (ii) between September 1992 and March 1993, Respondent Prem Sahai was "instrumental in obtaining financing for" Respondents Sanjay Chatrath, Mary Clausen, Priti Goel and Arun Kalra to purchase stock in Mid-Iowa, H.F. Financial, Kirksville or First Moline, as set forth in 12 C.F.R. § 574.4(d)(3)(ii); and (iii) Anil Sahai and Subhash Sahai are controlling stockholders and/or management officials of Webster City Medical Service, P.C. Respondents failed to fully and fairly disclose to the OTS the extent of their beneficial ownership in Mid-Iowa, H.F. Financial, Kirksville and First Moline, and never filed a rebuttal to the regulatory presumptions of concerted action pursuant to 12 C.F.R. § 574.4(e)(2).

Respondents purchased Mid-Iowa stock in connection with Mid-Iowa's October 1992 initial public offering and, thereafter, in the secondary market. Mid-Iowa's August 12, 1992 Subscription and Community Offering Prospectus ("Mid-Iowa Prospectus") provided a detailed description of the Change in Bank Control Act and the attendant OTS Control Regulations, including, inter alia, the prohibition regarding beneficial ownership of 10% or more of a converting thrift institution's outstanding stock.

By the end of December 1992, Respondents beneficially owned 21.16% of Mid-Iowa's total outstanding stock, thus exceeding the

10% threshold for rebuttable control set forth in 12 C.F.R. § 574.4(b)(i). Pursuant to 12 C.F.R. § 574.4(e)(1), Respondents were required to file a rebuttal of control submission before acquiring more than 10% of Mid-Iowa's stock. Additionally, pursuant to 12 C.F.R. § 574.5(a), Respondents were required to submit a certification of ownership upon exceeding the 10% stock ownership threshold. Respondents never filed a rebuttal of control determination or a certification of ownership.

By March 1993, Respondents had increased their ownership interest to above 25% of Mid-Iowa's outstanding stock, thereby establishing their conclusive control of Mid-Iowa in violation of the Change in Bank Control Act and the related OTS Control Regulations, 12 U.S.C. § 1817(j)(8)(B)(Supp. IV 1992) and 12 C.F.R. § 574.4(a). Respondents continued to own more than 25% of Mid-Iowa's outstanding stock at least through the end of 1993.

At all times relevant hereto, Respondents were subject to a control factor pursuant to 12 C.F.R. § 574.4(c) as one of the two largest holders of Mid-Iowa's common stock. Respondents were also required to file a notice of change in control with the OTS pursuant to 12 U.S.C. § 1817(j) and 12 C.F.R. § 574.3. Respondents never submitted the requisite change in control notification, and never made a safe harbor filing with the OTS pursuant to 12 C.F.R. § 574.4(f). Respondents' failure to make the required filings with and to obtain the required approvals from the OTS constituted a violation of 12 U.S.C. § 1817(j) and 12 C.F.R. § 574.3, which govern the acquisition of control of a savings and loan holding company.

From September 1992 to at least until May 1994, Respondents beneficially owned more than 10% of the outstanding shares of H.F. Financial, Kirksville or First Moline, thus exceeding the regulatory threshold for rebuttable control set forth in 12 C.F.R. § 574.4(b)(i). Pursuant to 12 C.F.R. § 574.4(e)(1), Respondents were required to file a rebuttal of control submission before acquiring more than 10% of the stock of H.F. Financial, Kirksville or First Moline. Additionally, pursuant to 12 C.F.R. § 574.5(a), Respondents were required to file with the OTS a certification of ownership upon acquiring beneficial ownership in excess of 10% of any class of H.F. Financial, Kirksville or First Moline stock. Respondents never filed a rebuttal of control determination or a certification of ownership. Further, Respondents were required to -- and failed to -- file a notice of change in control pursuant to 12 C.F.R. § 574.3.

(b) OTS Mutual to Stock Conversion Regulation Violation

In exceeding the 10% beneficial ownership threshold with respect to Mid-Iowa, Respondents also violated 12 C.F.R. § 563b.3 (1992) regarding the acquisition of stock within three years of a thrift's conversion from mutual to stock form of ownership, which restriction was clearly described in the Mid-Iowa Prospectus. As deposit accountholders at Mid-Iowa's converting thrift subsidiary, Respondents Prem Sahai, Urmila Sahai, Anil Sahai, Nutan Sahai, Subhash Sahai, Sushma Sahai and Sanjay Chatrath all purchased Mid-Iowa stock through the exercise of subscription

rights. These seven Respondents all acknowledged receipt of the Mid-Iowa Prospectus in their subscription rights applications.

3. Consent. Respondents consent to the issuance by the OTS of the accompanying Order to Cease and Desist for Affirmative Relief and Order of Assessment of Civil Money Penalties ("Order"). Respondents further agree to comply with the terms and conditions of the Order upon issuance and stipulate that the Order complies with all requirements of law.

4. Finality. The Order is issued by the OTS pursuant to 12 U.S.C. §§ 1467a, 1817(j), 1818(b) and 1818(i). Upon its issuance, the Order shall be final, effective and fully enforceable by the OTS under the provisions of federal law, including but not limited to 12 U.S.C. § 1818(i)(1).

5. Waivers. Respondents, individually and collectively, for purposes of this enforcement proceeding, waive:

(a) the right to be served with a written notice of charges and the right to an administrative hearing of those charges, as provided by 12 U.S.C. § 1818(b);

(b) the right to be served with a written Notice of Assessment of Civil Money Penalty pursuant to 12 U.S.C. §§ 1467a(i)(2) and (i)(3), 1817(j)(16)(E) and 1818(i)(2)(E), and the right to an administrative hearing of that assessment pursuant to 12 U.S.C. §§ 1467a(i)(2) and (i)(3), 1817(j)(16)(F) and 1818(i)(2)(H);

(c) the right to seek judicial review of the Order, including without limitation, any such right provided by 12

U.S.C. § 1818(h), and the right otherwise to challenge the validity of the Order;

(d) any and all assertions that the assessment or payment of any monies or other relief provisions in connection with the Order constitutes the basis for a claim of double jeopardy in any pending or future proceeding brought by the United States Department of Justice or any other governmental entity;

(e) any and all assertions, claims, objections, or challenges to any OTS action, in any bankruptcy proceeding, to establish, pursuant to 11 U.S.C. §§ 523(a)(7) and/or (a)(11), the non-dischargeability of the restitution and civil money penalty obligations imposed by the Order; and

(f) any and all claims against the OTS, including its employees and agents, and any other governmental entity for the award of fees, costs or expenses arising under the common law or under the Equal Access to Justice Act, 5 U.S.C. § 504, and 28 U.S.C. § 2412.

6. Indemnification. Respondents, individually and collectively, represent that they have not received, directly or indirectly, any sums from Mid-Iowa, H.F. Financial, Kirksville or First Moline (or any current or successor institution, holding company or subsidiary thereof) for the purpose of indemnifying or reimbursing them for any expenses incurred by them in connection with this OTS enforcement action. Respondents shall neither cause nor allow Mid-Iowa, H.F. Financial, Kirksville or First Moline (or any current or successor institution, holding company or subsidiary thereof), to incur, directly or indirectly, any

expense for any legal or other professional expenses incurred relative to the negotiation and issuance of the accompanying Order, nor obtain any indemnification or other reimbursement from Mid-Iowa, H.F. Financial, Kirksville or First Moline (or any current or successor institution, holding company or subsidiary thereof) with respect to such expenses. In the event that any such indemnification or other reimbursement payments are received by or on behalf of Respondents in connection with this OTS enforcement action, Respondents agree to promptly notify the OTS of the receipt of such payments and to return such payments without delay to Mid-Iowa, H.F. Financial, Kirksville or First Moline (or any current or successor institution, holding company or subsidiary thereof).

7. Other Government Actions Not Affected. Respondents, individually and collectively, acknowledge and agree that their consent to the entry of the Order is for the purpose of resolving matters pertaining to Paragraph 2, above, and does not release, discharge, compromise, settle, dismiss, resolve or in any way affect any administrative, civil or criminal actions, allegations or charges against, or liability of Respondents that may be or have been brought by the OTS or any other government agency or entity on any matters other than those noted in Paragraph 2, above.

8. Representation as to Thrift Stock Ownership and Disgorgement of Profits. Respondents acknowledge that, as part of this settlement, the OTS has relied in part on Respondents'

representations, including the Declaration of Respondent Prem Nath Sahai which is attached hereto, concerning their stock ownership in Mid-Iowa, H.F. Financial, Kirksville and First Moline (or any current or successor institution, holding company or subsidiary thereof), as set forth in the attached Declaration. In the event that any information included in the attached Declaration is found to be materially false or misleading, the OTS, in the exercise of its discretion, reserves the right to take any action authorized by law, including but not limited to: (i) assessing additional civil money penalties pursuant to 12 U.S.C. §§ 1467a(i)(2) and (i)(3), 1817(j)(16) or 1818(i)(2); and/or (ii) requiring the disgorgement of any additional profits with respect to Respondents' stock ownership in Mid-Iowa, H.F. Financial, Kirksville and First Moline (or any current or successor institution, holding company or subsidiary thereof).

9. Miscellaneous.

(a) The construction and validity of this Stipulation and the Order shall be governed by the laws of the United States of America.

(b) All references to the OTS in this Stipulation and the Order shall also mean any of the OTS's predecessors, successors, and assigns.

(c) The section and paragraph headings in this Stipulation and in the Order are for convenience only, and such headings shall not affect the interpretation of this Stipulation or the Order.

(d) The terms of this Stipulation represent the final written agreement of the parties with respect to the subject matters hereof, and constitute the sole agreement of the parties with respect to such subject matters.

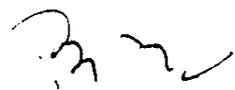
(e) This Stipulation and the Order shall remain in effect until lawfully terminated, modified, or suspended by a formal written action of the OTS, acting through its Director, Regional Director or other authorized representative.

WHEREFORE, intending to be legally bound hereby, each Respondent executes this Stipulation and Consent to Issuance of an Order to Cease and Desist for Affirmative Relief and Order of Assessment of Civil Money Penalties. This Stipulation may be executed in counterpart originals.

Signed:

Accepted by:

OFFICE OF THRIFT SUPERVISION



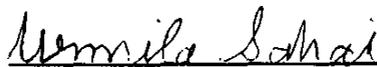
PREM NATH SAHAI



FREDERICK R. CASTEEL
Regional Director
Midwest Region

Dated: April 2, 1997

Dated: 4-16-97



URMILA SAHAI

Dated: 4/2/97

Signed:

Subhash C. Sahai
SUBHASH C. SAHAI

Dated: 4/2/97

Sushma Sahai
SUSHMA SAHAI

Dated: 4/2/97

Anil K. Sahai
ANIL K. SAHAI

Dated: 4/2/97

Nutan Sahai
NUTAN SAHAI

Dated: 4-2-97

NEENA R. GUPTA

Dated: _____

Webster City Medical Service, P.C.
WEBSTER CITY MEDICAL SERVICE, P.C.

Dated: 4/2/97

Signed:

SUBHASH C. SAHAI

Dated: _____

SUSHMA SAHAI

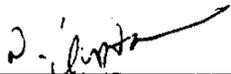
Dated: _____

ANIL K. SAHAI

Dated: _____

NUTAN SAHAI

Dated: _____



NEENA R. GUPTA

Dated: 3/25/97

WEBSTER CITY MEDICAL SERVICE, P.C.

Dated: _____

Signed:



SANJAY CHATRATH

Dated: 3/27/97

PRITI GOEL

Dated: _____

ARUN K. KALRA

Dated: _____

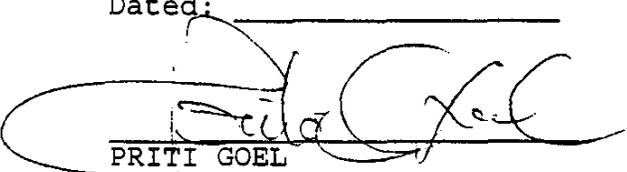
MARY E. CLAUSEN

Dated: _____

Signed:

SANJAY CHATRATH

Dated: _____



PRITI GOEL

Dated: 3/26/97

ARUN K. KALRA

Dated: _____

MARY E. CLAUSEN

Dated: _____

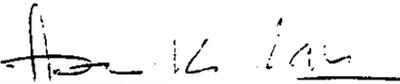
Signed:

SANJAY CHATRATH

Dated: _____

PRITI GOEL

Dated: _____



ARUN K. KALRA

Dated: _____

MARY E. CLAUSEN

Dated: _____

Signed:

SANJAY CHATRATH

Dated: _____

PRITI GOEL

Dated: _____

ARUN K. KALRA

Dated: _____

Mary A. Clausen

MARY A. CLAUSEN

Dated: *Mar 24 1997*

DECLARATION MADE PURSUANT TO 28 U.S.C. § 1746

1. I, Prem Nath Sahai, am over 18 years of age, have legal capacity to make this declaration and make it based upon my personal knowledge.

2. Members of my immediate family and I (to include my sons, their professional corporation and wives, and my wife - hereafter, the "Sahai family") utilized Dougherty & Company, at all times relevant hereto, to prepare our federal and state income tax returns. Based on my personal review of copies of federal income tax returns prepared by Dougherty & Company and filed with the Internal Revenue Service, U.S. Department of the Treasury ("IRS") as well as source documents supporting aggregate figures so reported to the IRS, I declare that:

a. the Sahai family reported income in 1992, 1993, 1994 and 1995 which arose from its trading activity in certain common stock issued by savings and loan holding companies;

b. such income was composed of capital gains and losses;

c. the "specific identification" method of inventory accounting was consistently applied in calculating the foregoing gains and losses; and

d. the net amount of the gains and losses attributable to ownership interests allegedly held in violation of the Change in Bank Control Act, 12 U.S.C. § 1817(j), and Office of Thrift Supervision ("OTS") Regulations, as set forth in OTS Order No. MWR-97-05 such as are necessary in the opinion of the OTS to bring the Sahai family into compliance with said statute and regulations, totals not more than \$223,560.00 and is composed of income arising from the trading of the following stocks:

- (i) Mid-Iowa Financial Corporation ("MIFC")
- (ii) First Moline Financial Corporation ("FMFC")
- (iii) Kirksville Bancshares ("KFSB")
- (iv) HF Financial Corporation ("HFFC").

3. Desiring to cooperate with the OTS, U.S. Department of the Treasury, and to avoid the time and expense of administrative litigation, I further declare that:

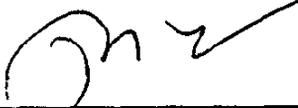
a. prior to the execution of this declaration, the Sahai family has sold MIFC stock sufficient to bring the total MIFC ownership interest of the Respondents to OTS Order NO. MWR-97-05 to less than 10% of the outstanding shares of common stock of MIFC;

b. prior to the execution of this declaration, FMFC and KFSB were acquired by other depository institution holding companies. Such acquisitions were financed by the issuance of additional shares of the acquirors' common stock. The total ownership interest of the respondents to OTS Order No. MWR-97-05 in each acquiror's common stock is less than 10% of the outstanding shares; and,

c. within ten calendar days of the issuance of the OTS's Order to Cease and Desist for Affirmative Relief and Order of Assessment of Civil Money Penalties, the Sahai family shall contribute sufficient HFFC shares to a public charity so as to bring the total HFFC ownership interest of the respondents to OTS Order No. MWR-97-05 to less than 10% of the outstanding shares of common stock of HFFC.

4. I make this declaration pursuant to 28 U.S.C. § 1746 and with full and complete knowledge that the OTS is acting in reliance on its truthfulness.

5. I declare under penalty of perjury that the foregoing is true and correct. Executed on this 3rd day of April, 1997.



PREM NATH SAHAI

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UNITED STATES OF AMERICA
OFFICE OF THRIFT SUPERVISION
DEPARTMENT OF THE TREASURY

In the Matter of:)
)
PREM NATH SAHAI, URMILA SAHAI,)
SUBHASH SAHAI, SUSHMA SAHAI,)
ANIL SAHAI, NUTAN SAHAI,)
NEENA GUPTA, WEBSTER CITY)
MEDICAL SERVICE, P.C.,)
SANJAY CHATRATH, PRITI GOEL,)
ARUN KALRA and MARY CLAUSEN)
)
Institution-Affiliated)
Parties of Mid-Iowa Savings)
Bank, FSB, Newton, Iowa and)
its Holding Company, Mid-Iowa)
Financial Corporation,)
and of Other Insured)
Depository Institutions and)
their Holding Companies)
)

OTS Order No. MWR-97-05

Date: April 16, 1997

ORDER TO CEASE AND DESIST FOR AFFIRMATIVE RELIEF AND
ORDER OF ASSESSMENT OF CIVIL MONEY PENALTIES

WHEREAS, Prem Nath Sahai; Urmila Sahai; Subhash Sahai; Sushma Sahai; Anil Sahai; Nutan Sahai; Neena Gupta; Webster City Medical Service, P.C.; Sanjay Chatrath; Priti Goel; Arun Kalra and Mary Clausen ("Respondents"), institution-affiliated parties of Mid-Iowa Savings Bank, FSB, Newton, Iowa, and its holding company, Mid-Iowa Financial Corporation (together "Mid-Iowa"); Home Federal Savings Bank, Sioux Falls, South Dakota, and its holding company, H.F. Financial Corporation (together "H.F. Financial"); Kirksville Federal Savings Bank, Kirksville,

Missouri, and its holding company, Kirksville Bankshares, Inc. (together "Kirksville") or First Federal Savings Bank of Moline, Moline, Illinois, and its holding company, First Moline Financial Corporation (together "First Moline"), have executed a Stipulation and Consent to Issuance of an Order to Cease and Desist for Affirmative Relief and an Order of Assessment of Civil Money Penalties ("Stipulation");

WHEREAS, Respondents, individually and collectively, by execution of the Stipulation, have consented and agreed to the issuance of this Order to Cease and Desist for Affirmative Relief and Order of Assessment of Civil Money Penalties ("Order") by the Office of Thrift Supervision ("OTS"), pursuant to 12 U.S.C. §§ 1464, 1467a, 1817(j), 1818(b) and 1818(i)¹;

WHEREAS, the Director of the OTS has delegated to the Regional Director of the Midwest Region of the OTS ("Regional Director") the authority to issue orders to cease and desist for affirmative relief and orders of assessment of civil money penalties on behalf of the OTS, where the subjects of such orders have consented to the issuance of the orders; and

WHEREAS, on the basis of the consent evidenced in the Stipulation, the Regional Director is of the opinion that grounds exist for the issuance of this Order, pursuant to 12 U.S.C. §§ 1464, 1467a, 1817(j), 1818(b) and 1818(i).

¹ All references to the United States Code ("U.S.C.") are as amended, unless otherwise indicated.

NOW THEREFORE, IT IS ORDERED THAT:

A. CEASE AND DESIST AND CIVIL MONEY PENALTY ASSESSMENT

1. Statutory and Regulatory Obligations. Respondents, individually and collectively, shall cease and desist from any action (either alone or with another or others) for or toward causing, bringing about, participating in, counseling or the aiding and abetting of any unsafe or unsound practice or any violation of:

- (a) The Savings and Loan Holding Company Act, 12 U.S.C. § 1467a;
- (b) The Change in Bank Control Act, 12 U.S.C. § 1817(j);
- (c) Part 574 of the OTS Control Regulations, 12 C.F.R. Part 574 (1996); and
- (d) Part 563b of the OTS Mutual to Stock Conversion Regulations, 12 C.F.R. Part 563b (1996).

2. Limitations on Federally Insured Financial Institution Activities. Respondents, individually and collectively, shall:

- (a) Not, directly or indirectly, own, hold, purchase or otherwise "acquire" (as defined in 12 C.F.R. § 574.2(a)), either individually or "acting in concert" (as defined in 12 C.F.R. § 574.2(c)) with others, 9.9% or more of the outstanding common stock of Mid-Iowa, H.F. Financial, Kirksville, or First Moline (or any current or successor institution, holding company or subsidiary thereof);

Notwithstanding the foregoing, and solely for purposes of compliance with Subparagraph 2(a) and not for purposes of compliance with Paragraph 1 of this Order, any individual Respondent will be deemed to be in compliance with this Subparagraph 2(a) if that Respondent does not, directly or indirectly, purchase, acquire, finance the purchase of, or otherwise "acquire" (as defined in 12 C.F.R. § 574.2(a)), any shares of outstanding common stock of Mid-Iowa, H.F. Financial, Kirksville or First Moline (or any current or successor institution, holding company or subsidiary thereof) at any time subsequent to the date of this Order.

- (b) Each file sworn declarations with the OTS within 30 days of the date of this Order listing any and all stock in Mid-Iowa, H.F. Financial, Kirksville and First Moline (or any current or successor institution, holding company or subsidiary thereof) which the Respondent, directly or indirectly, owns, holds or otherwise has an interest in; and
- (c) Seek and obtain advice and guidance from competent legal counsel whenever issues arise that cause Respondents to be unsure of their: (i) statutory or regulatory obligations concerning Respondents' stock ownership in Federally insured depository

institutions (or holding companies or subsidiaries thereof); or (ii) compliance obligations pursuant to the terms and conditions of this Order.

3. Filings. Respondents, individually and collectively, shall henceforth promptly and accurately make all filings required by the OTS Regulations.

4. Restitution. Respondents, individually and collectively, shall:

- (a) Within ten (10) calendar days of the entry of this Order, jointly and severally pay restitution in the total amount of Two Hundred Twenty Three Thousand Five Hundred and Sixty United States dollars (\$223,560.00), representing the disgorgement of profits obtained in violation of the Change in Bank Control Act and OTS Regulations, to Mid-Iowa, H.F. Financial, Kirksville or First Moline (or any current or successor institution, holding company or subsidiary thereof). The total amount of restitution will be satisfied by paying Two Hundred Twenty One Thousand Dollars (\$221,000.00) to Mid-Iowa Financial Corporation, and by paying Two Thousand Five Hundred and Sixty Dollars (\$2,560.00) to Firststar Corporation, as the successor of First Moline. If the total restitution payment is not made in full by the prescribed deadline, compound interest at the rate

set forth in 28 U.S.C. § 2516 shall accrue on any outstanding balance until paid in full. Any accrued interest shall be in addition to, not in lieu of, any other legal remedies available to the OTS to enforce the Order; and

- (b) Make the restitution payments specified in Paragraph 4(a), supra, by tendering two or more certified checks or bank drafts payable to: (i) Mid-Iowa Financial Corporation in the amount of Two Hundred Twenty One Thousand Dollars (\$221,000.00); and (ii) Firststar Corporation, as the successor of First Moline, in the amount of Two Thousand Five Hundred and Sixty Dollars (\$2,560.00). The payments shall be delivered together with a cover letter explaining that they pertain to the restitution required by this Order, referencing the Order number and attaching a copy of the Order, to Joseph F. Griffin, Senior Attorney, Office of Thrift Supervision, 200 West Madison Street, Suite 1300, Chicago, Illinois 60606.

5. Civil Money Penalty. Respondents, individually and collectively, shall:

- (a) Within ten (10) calendar days of the entry of this Order, jointly and severally pay civil money penalties in the amount of One Hundred and Seventy

Five Thousand United States dollars (\$175,000.00);
and

- (b) Make the civil money penalty payment specified in Paragraph 5(a), supra, by tendering a certified check(s) or bank draft(s) in the amount of One Hundred and Seventy Five Thousand United States dollars (\$175,000.00) made payable to the order of the Treasurer of the United States. The payment(s) shall be delivered together with a cover letter explaining that they pertain to the civil money penalty assessment required by this Order, referencing the Order number and attaching a copy of the Order, to Joseph F. Griffin, Senior Attorney, Office of Thrift Supervision, 200 West Madison Street, Suite 1300, Chicago, Illinois 60606.

B. MISCELLANEOUS

1. The Stipulation is made a part hereof and is hereby incorporated by reference.

2. This Order is effective upon the date of issuance as shown in the caption hereof. This Order shall remain in effect until it is terminated, modified or suspended by a formal written action of the OTS, acting by and through its Director, Regional Director or other authorized representative.

OFFICE OF THRIFT SUPERVISION

By: *F. Casteel*
FREDERICK R. CASTEEL
Regional Director
Midwest Region