



Minutes

OTS Mutual Savings Association Advisory Committee

Telephonic Meeting

May 21, 2010

2pm EDT

1. Introduction and Roll Call

The members of the committee introduced themselves and talked about some of the trends they were seeing in their geographic areas.

2. Welcome Remarks

Acting Director Bowman and Deputy Director Barnes made introductory remarks and updated the committee members on several OTS initiatives.

3. Mutual Industry Update and Trends

Jim Caton, OTS's Managing Director of Economic and Policy, provided an overview of the first quarter industry financial results that would be presented the following week at the quarterly press conference. The results show a gradual improvement and stabilization of the industry. The members of the committee specifically were interested in how mutual institutions were doing relative to stock institutions. Mutual institutions continue to perform better than stock institutions in the aggregate.

4. Legislative Update

OTS's Managing Director of External Affairs, Barbara Shycoff gave an update on the regulatory reform legislation. She described the process and where in the process the House and Senate Committees are. The various pieces of the bill were described, including the creation of a consumer agency and its interaction with the primary federal

regulator, the creation of a systemic risk regulator, and the imposition of additional capital requirements.

The committee members discussed the impact the legislation would have on community banks specifically and mutual institutions in particular. The concerns expressed were applicable to mutual institutions of all charter types.

A discussion followed about how a merger between the OTS and the OCC would be accomplished. The committee members asked questions about the possible structure of the combined organization and offered suggestions about possible alternatives.

5. Agenda items and timing for an in person meeting

The members of the committee requested that a meeting of the committee be held in the near term to talk about the specifics of a merger between the OTS and the OCC. The next meeting will be held in July 2010 and will be an in person meeting to talk about confidential supervisory and operational matters related to the merger of the agencies.

The committee members also requested that the OTS staff brief the committee on supervisory changes that may result from the passage of the legislation.

6. New Business

There were no public statements and no calls for new business.

7. Adjournment

The meeting was adjourned at 3:30 pm

These minutes have been certified by Charlotte M. Bahin, Designated Federal Official for the OTS Mutual Savings Association Advisory Committee.

/s/ Charlotte M. Bahin
Charlotte M. Bahin
Designated Federal Official

Attachment A

**Members Attending May 21, 2010 Telephonic Meeting of the
OTS Mutual Savings Association Advisory Committee**

Wayne Cottle
John M. Hamilton
Dana L. Stonestreet
William H. Johnson Jr.
David H. Summers
William R. White
Ronald Romig
James F. McKenna
Steven J. Swiontek
C. Alan Horner

OTS Staff:

John Bowman
Thomas Barnes
Michael Simone
Jim Caton
Barbara Shycoff
John Burke
Charlotte Bahin