TARP Capital Purchase Program
(Mutual Holding Company)

Senior Securities

Summary of Senior Securities Terms

Issuer:	Qualifying Financial Institution (“QFI”) means any Bank Holding Company (“BHC”) or Savings and Loan Holding Company (“SLHC”) that (i) is mutual in organization (a “Mutual HC”), (ii) engages solely or predominately in activities permissible for financial holding companies under relevant law, and (iii) does not directly own and control a BHC or SLHC. Separate Term Sheets are being issued for BHCs and SLHCs that are directly owned and controlled by a Mutual HC and are (i) publicly traded or (ii) not publicly traded. The term QFI for purposes of this Term Sheet shall not mean any institution that is controlled by a foreign bank or company. For purposes of this program, “U.S. savings bank”, “U.S. savings association”, “BHC” and “SLHC” means a mutual savings bank, mutual savings association, BHC or SLHC organized in mutual form under the laws of the United States or any State of the United States, the District of Columbia, any territory or possession of the United States, Puerto Rico, Northern Mariana Islands, Guam, American Samoa, or the Virgin Islands. **The United States Department of the Treasury will determine the eligibility and allocation for QFIs after consultation with the appropriate Federal banking agency.**
Initial Holder:	United States Department of the Treasury (the “UST”).
Size:	QFIs may sell Senior Securities (defined below) to the UST subject to the limits and terms described below. Each QFI may issue Senior Securities with an aggregate principal amount equal to not less than 1% of its risk-weighted assets and not more than the lesser of (i) $25 billion and (ii) 3% of its risk-weighted assets.
Security:	Subordinated Debentures (“Senior Securities”); it being understood that the Senior Securities do not constitute a class of stock. Each note representing a Senior Security shall be in the principal amount of $1,000.
Ranking:	Senior to mutual capital certificates and other capital instruments authorized under state law. Senior Securities must be subordinated to senior indebtedness of the QFI, in accordance with applicable Federal and state law, unless such debt obligations are explicitly made pari passu or subordinated to the Senior Securities.

Regulatory Capital Status: Tier 1. It is anticipated that, prior to the UST investing, the Senior Securities will become eligible for inclusion in tier 1 capital of an QFI by the appropriate Federal banking agency issuing an interim final rule permitting inclusion of the Senior Securities in tier 1 capital, to the extent necessary.

Maturity: 30 years.

Interest Rate: The Senior Securities will pay interest at a rate of 7.7% per annum until the fifth anniversary of the date of this investment and thereafter at a rate of 13.8% per annum.[1] Interest will be payable quarterly in arrears on February 15, May 15, August 15 and November 15 of each year (each, an "Interest Payment Date").

Interest Deferral Interest may be deferred on the Senior Securities for up to 20 quarters; however any unpaid interest shall cumulate and compound at the then applicable interest rate in effect. For so long as any interest deferral is in effect, no dividends may be paid on shares of equity, mutual capital certificates, other capital instruments authorized under state law, or trust preferred securities of the QFI.

Redemption: All redemptions of the Senior Securities shall be at 100% of the issue price, plus any accrued and unpaid Interest. All redemptions shall be subject to the approval of the QFI's appropriate Federal banking agency.

Restrictions on Dividends: Subject to certain exceptions, for as long as any Senior Securities are outstanding, no dividends may be declared or paid on any shares of equity, mutual capital certificates, other capital instruments authorized under state law, or trust preferred securities, nor may the QFI repurchase or redeem any shares of equity, mutual capital certificates, other capital instruments authorized under state law, or trust preferred securities unless all accrued and unpaid Interest for all past interest periods on the Senior Securities is fully paid.

Further Restrictions on Dividend Increases: UST's consent shall be required for any increase in regularly paid dividends per share, capital certificate, or other capital instruments authorized under state law until the third anniversary of the date of this

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[1] Senior Securities have 7.7% and 13.8% interest rates which equate to after-tax effective rates (assuming a 35% tax rate) of 5% and 9%, respectively, the same rates applied to securities issued by other classes of institutions participating in the CPP. It is understood that the 7.7% and 13.8% interest rates to achieve after-tax parity with other classes of institutions participating in the CPP should not apply to mutual institutions that are tax-exempt.

investment. After the third anniversary and prior to the tenth anniversary, the UST's consent shall be required for any extraordinary dividends on deposit accounts (dividends in excess of the stated rate or that are in excess of the amount resulting from the stated method of calculating the rate on such an account), or to increase aggregate dividends per share or certificate where the resulting aggregate dividend per share, capital certificate, or other capital instruments authorized under state law is greater than 103% of the prior year's dividend rate per annum; provided that no increase in dividends may be made as a result of any dividend paid in common shares capital certificates, or other capital instruments authorized under state law, any stock split or similar transaction. The restrictions in this paragraph no longer apply if the Senior Securities and Warrant Securities (as defined below) have been redeemed in whole or the UST has transferred all of the Senior Securities and Warrant Securities to unaffiliated third parties, which for this purpose does not include a securitization vehicle or investment pool in which the UST is an initial sponsor or participant so long as UST has an economic interest in such vehicle or pool ("Third Parties").

Restriction on Acceleration: Principal and accrued interest may only become immediately due and payable (i.e., accelerate) upon the bankruptcy or liquidation of the QFI, the receivership of a major bank subsidiary of the QFI, or deferral of interest on the Senior Securities for more than 20 quarters.

Repurchases: The UST's consent shall be required for any repurchases of equity securities, mutual capital certificates, other capital instruments authorized under state law, or trust preferred securities (other than repurchases of common shares, capital certificates, or other capital instruments authorized under state law in connection with any benefit plan in the ordinary course of business consistent with past practice or relevant income tax laws) until the tenth anniversary of the date of this investment unless prior to such tenth anniversary the Senior Securities and Warrant Securities are redeemed in whole or the UST has transferred all of the Senior Securities and Warrant Securities to third parties. In addition, there shall be no repurchases of equity, capital certificates, or other capital instruments authorized under state law if prohibited as described above under "Restrictions on Dividends".

Other Dividend and Repurchase Restrictions: From and after the tenth anniversary of the date of this investment, the QFI shall be prohibited from paying dividends or repurchasing any equity securities, capital certificates, other capital instruments authorized under state law, or trust preferred securities until all Senior Securities and Warrant Securities are redeemed or repurchased in whole.

Voting Rights: Senior Securities shall be nonvoting , other than class voting rights on (i) any authorization or issuance of any equity securities which purport to rank senior to the Senior Securities, (ii) any amendment to the rights of Senior Securities, or (iii) any merger, exchange or similar transaction which would adversely affect the rights of the Senior Securities.

Notwithstanding any interest deferral, if Interest on the Senior Securities is not paid in full for six Interest periods, whether or not consecutive, the Senior Securities holders will have the right to elect 2 directors to the QFI. The right to elect directors to the QFI will end when full Interest has been paid for all prior interest periods.

Transferability: Senior Securities will not be subject to any contractual restrictions on transfer or the restrictions of any stockholders' agreement or similar arrangement that may be in effect among the QFI and its equity holders at the time of the Senior Security investment or thereafter; provided that the UST and its transferees shall use its commercially reasonable efforts not to effect any transfer of the Senior Securities which would require the QFI to become subject to the periodic reporting requirements of Section 13 or 15(d) of the Exchange Act.

If the QFI otherwise becomes subject to such reporting requirements (e.g. to the extent it no longer elects to be a MHC, or an S Corporation), the QFI will file a shelf registration statement covering the Senior Securities as promptly as practicable and, if necessary, shall take all action required to cause such shelf registration statement to be declared effective as soon as possible. In addition, the UST and its transferees shall have piggyback registration rights for the Senior Securities. Subject to the above, the QFI shall take all steps as may be reasonably requested to facilitate the transfer of the Senior Securities.

Executive Compensation, Transparency, Accountability, Monitoring: The QFI and its covered officers and employees shall agree to comply with the rules, regulations and guidance of the UST with respect to executive compensation, transparency, accountability and monitoring, as published and in effect at the time of the investment closing.

Affiliate Transactions: For as long as the UST holds any debt or equity securities (including the Senior Securities) of the QFI, the QFI and its subsidiaries will not enter into a transaction with related persons (within the meaning of Item 404 under the SEC's Regulation S-K) unless such transaction is (i) on terms no less favorable to the QFI and its subsidiaries than could be obtained from an unaffiliated third party, and (ii) has been approved by the audit committee or a comparable body of independent directors of the QFI, or if there are no "independent directors," the board of directors of the QFI but only if the board of directors maintains written documentation supporting its determination that the transaction meets the requirements of (i) of this paragraph.

Summary of Warrant Terms

Warrant: In consideration of the investment in Senior Securities and other consideration in connection with its investment, UST will receive warrants to purchase, upon net settlement, a number of additional Senior Securities (the "Warrant Securities") in an amount equal to 5% of the amount of Senior Securities purchased on the date of investment. The UST intends to immediately exercise the warrants. The exercise price for the warrants shall be $0.01 per note representing a Warrant Security.

Term: 10 years (it being understood the Warrant Securities themselves will have a maturity of 30 years).

Exercisability: Immediately exercisable, in whole or in part.

Warrant Securities: The Warrant Securities shall have the same rights, preferences, privileges, voting rights and other terms as the Senior Securities, except that (1) the Warrant Securities will pay Interest at a rate of [13.8%] per annum and (2) the Warrant Securities may not be redeemed until all the Senior Securities have been redeemed.

Transferability: The warrants will not be subject to any contractual restrictions on transfer or the restrictions of any stockholders' agreement or similar arrangement that may be in effect among the QFI and its equity holders at the time of this investment or thereafter; provided that the UST shall not effect any transfer of the warrants or underlying Warrant Securities which would require the QFI to become subject to the periodic reporting requirements of Section 13 or 15(d) of the Exchange Act.

If the QFI otherwise becomes subject to the periodic reporting requirements of Section 13 or 15(d) of the Exchange Act, the QFI will file a shelf registration statement covering the warrants and the Warrant Securities underlying the warrants as promptly as practicable and, if necessary, shall take all action required to cause such shelf registration statement to be declared effective as soon as possible. In addition, the UST and its transferees shall have piggyback registration rights for the warrants and the Warrant Securities underlying the warrants. Subject to the above, the QFI shall take all steps as may be reasonably requested to facilitate the transfer of the warrants or the Warrant Securities.