



**Minutes of Meeting
of
OTS Mutual Savings Association Advisory Committee
October 20, 2010
Boston, Massachusetts**

8 a.m. – Closed Meeting

- This portion of the meeting was used to address administrative matters and confidential matters related to the merger of OTS into the Office of the Comptroller of the Currency

9:45 a.m. - Public Meeting

I. Welcome

The public portion of the meeting of the OTS Mutual Savings Association Committee was called to order. Attachment A is a list of persons who attended the meeting.

II. Introduction of members

The members of the committee introduced themselves and highlighted issues that were of interest to them, including the progress of the integration of OTS into the Office of the Comptroller of the Currency, increased regulatory burden as a result of the passage of the Dodd Frank Wall Street Reform and Consumer Protection Act, and the financial condition of the mutual segment of the financial services.

III. Status of the mutual industry

OTS Acting Director John Bowman and Deputy Director Tom Barnes discussed the general health of the mutual segment of the industry. In addition, the group discussed the ability of depository institutions of every charter type to raise capital in the current economic climate. The group discussed whether additional capital in the market would have helped many of the institutions that failed over the past few years. The relative impact of the assignment of different ratings to CAMELS components on institutions was also discussed. The members of the group discussed the impact of bank failures in their respective geographic areas. Mutual savings associations continue to have concerns about the inability to raise capital, particularly if higher capital levels are required in the future by the federal regulators.

The discussion turned to the perception among the members of the group that the burden of regulation has increased and that it will continue to increase in the near term. Additional compliance requirements were specifically highlighted as a concern among the members.

IV. Regulatory Change

The members of the group discussed the impact of the changes in the financial services regulatory environment on mutual institutions. The group agreed that it would be important for them to take the opportunities available to them to meet with the regulators and to comment on proposals to ensure that the perspective of mutual institutions is heard. OTS staff asked each member of the group to describe in 25 words or less how they would distinguish a mutual institution from a stock institution. The group was also asked to state what the focus of the differences should be.

These questions and the answers would provide a focus to the discussion with OCC staff when trying to highlight why mutuals are unique. The responses included the inability that mutuals have to raise capital, the level and importance of customer service and the ability to look further out than the next quarter.

V. Future meetings, agenda topics, possible guest speakers

The members of the committee requested that future meetings be held with OCC Senior Staff to discuss the differences between mutual and stock institutions .

VII. Public Statements, if any.

No public statements were submitted

11:30 p.m. Adjourn

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 Who Attended the October 20, 2010 Meeting of the OTS Mutual Savings Association Advisory Committee

Wayne Cottle
Dana L. Stonestreet
David H. Summers
Steven J. Swiontek
C. Alan Horner

OTS Staff:

John Bowman
Thomas Barnes
Charlotte Bahin