VIA FACSIMILE AND BY CERTIFIED RETURN RECEIPT REQUESTED

Board of Directors
United Roosevelt Savings Bank
11-15 Cooke Avenue
Carteret, New Jersey 07008

Dear Board of Directors:

The notice of intent to convert from mutual to stock form filed on behalf of United Roosevelt Savings Bank, Carteret, New Jersey ("United Roosevelt") has been reviewed by the Federal Deposit Insurance Corporation ("FDIC") pursuant to section 303.15 of the FDIC Rules and Regulations, 12 C.F.R. section 303.15. Based on the information and representations presented, we do not object to the proposal.

Enclosed is our Order and Basis for the merger application filed on behalf of United Roosevelt in connection with the conversion transaction.

Please furnish the FDIC's New York Regional Office with satisfactory evidence of the bank's compliance with the conditions stated in the enclosed Order, and notify that office in writing when the proposed transaction has been consummated. If an extension of the time limitation included in the Order is required, a letter requesting a specific extension of the limitation, including reasons therefor, should be submitted to the New York Regional Office.

Sincerely,

/s/

Cottrell L. Webster
Acting Associate Director

Enclosure

cc: Samuel J. Malizia, Esquire
    Malizia, Spidi, Sloane & Fisch, P.C.
    1301 K Street, N.W.
    Suite 700 East
    Washington, D.C. 20005
FEDERAL DEPOSIT INSURANCE CORPORATION

United Roosevelt Savings Bank
Carteret, Middlesex County, New Jersey

Application for Consent to Merge

ORDER AND BASIS FOR CORPORATION APPROVAL

Pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance Act ("FDI Act"), an application has been filed on behalf of United Roosevelt Savings Bank, Carteret, New Jersey ("Mutual Institution"), currently a mutually-owned Savings Association Insurance Fund ("SAIF") member, state-chartered institution with total resources of $91,748,000 and total deposits of $79,274,000 as of March 31, 1997, for the FDIC's consent to merge with United Roosevelt Interim Savings Bank, Carteret, New Jersey ("Interim Bank"), a proposed new interim state-chartered stock savings bank.

This transaction is the result of the Mutual Institution's Plan of Reorganization which includes the formation by Mutual Institution of a New Jersey-chartered mutual holding company, United Roosevelt MHC, Carteret, New Jersey ("MHC"), which will be capitalized with up to $500,000. MHC will organize and wholly own a stock holding company, United Roosevelt Bancorp ("Stock Holding Company"), which will also be capitalized with up to $500,000. MHC will also organize and wholly own Interim Bank. An application for the establishment of MHC and United Roosevelt Bancorp as bank holding companies has been filed with the Federal Reserve Bank of New York. The Mutual Institution will exchange its charter for a New Jersey stock savings bank charter and will become a wholly-owned subsidiary of MHC after a merger with Interim. MHC will then transfer 100% of the stock of the merged bank into the Stock Holding Company, which will in turn be a wholly-owned subsidiary of MHC incident to the merger with Interim Bank. The resultant bank will operate with the title of United Roosevelt Savings Bank, Carteret, New Jersey. Following consummation of the merger, the resultant bank will operate the same banking business with the same management at the same locations now being served by Mutual Institution. The proposed transaction, per se, will not alter the competitive structure of banking in the market served by Mutual Institution. The resultant bank's principal office will be at 11-15 Cooke Avenue, Carteret, New Jersey. Notice of the proposed transaction, in a form approved by the FDIC, has been published pursuant to the FDI Act.

A review of available information, including the Community Reinvestment Act ("CRA") Statement of Mutual Institution discloses no inconsistencies with the purposes of the CRA. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

In connection with the application, the FDIC has taken into consideration the financial and managerial resources and future prospects of the proponent banks and the resultant bank, and the
convenience and needs of the community to be served. Having found favorably on these statutory factors and having considered other relevant information, including all reports on the competitive factors furnished by the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Office of Thrift Supervision, or the Attorney General of the United States, it is the FDIC’s judgment that the application should be and hereby is approved, subject to the following conditions:

1. That the transaction may not be consummated unless the Plan of Reorganization receives prior approval by an affirmative vote of at least a majority of the total votes eligible to be cast by the Mutual Institution’s depositors;

2. That, unless prior notice is provided to and non-objection is received from the FDIC, no shares of the stock of United Roosevelt Savings Bank shall be sold, transferred or otherwise disposed of, to any persons (including any Employee Stock Ownership Plan) other than United Roosevelt Bancorp, nor shall United Roosevelt Savings Bank issue any equity securities or any securities that would accord the holder the right to acquire equity securities or that would bestow upon the holder an interest in the retained earnings of the issuer to any persons other than United Roosevelt Bancorp;

3. That, prior to a sale, transfer or other disposition of any shares of United Roosevelt Bancorp by MHC to any person (including any Employee Stock Ownership Plan), or a conversion of the mutual holding company to stock form, United Roosevelt Savings Bank will provide written notification to the FDIC and provide the FDIC with copies of all documents filed with state and federal banking and/or securities regulators in connection with any such sale, transfer, disposition or conversion;

4. That, should any shares of the stock of United Roosevelt Savings Bank or United Roosevelt Bancorp be issued to persons other than the MHC, any dividends waived by MHC must be retained by the Stock Holding Company or the savings bank and segregated, earmarked, or otherwise identified on the books and records of the Stock Holding Company or the savings bank; such amounts must be taken into account in any valuation of the institution and factored into the calculation used in establishing a fair and reasonable basis for exchanging shares in any subsequent conversion of MHC to stock form; such amounts shall not be available for payment to or the value thereof transferred to minority shareholders, by any means including through dividend payments or at liquidation;

5. That any changes in proposed management, including the board of directors or proposed ownership (ten per cent or more of the stock and new acquisitions of or subscriptions to ten per cent or more of the stock), will render this approval null and void unless such proposal is approved by the Regional Director (Supervision) of the FDIC’s New York Regional Office prior to the consummation of the proposed transaction;
6. That the proposed transaction may not be consummated unless and until the resultant bank has authority to conduct a banking business, and that its establishment and operation as a stock savings bank have been fully approved by appropriate State of New Jersey officials and that its holding companies, United Roosevelt MHC and United Roosevelt Bancorp, are granted approval to become bank holding companies by the Board of Governors of the Federal Reserve System;

7. That the transaction shall not be consummated less than fifteen calendar days after the date of this Order or later than six months after the date of this Order, unless such period is extended for good cause by the FDIC; and

8. That until the proposed transaction is consummated, the FDIC shall have the right to alter, suspend, or withdraw its approval should any interim development be deemed to warrant such action.

Pursuant to delegated authority.

Dated at Washington, D.C., this 6th day of August, 1997.

/s/

Cotrell L. Webster
Acting Associate Director
Division of Supervision