



Federal Deposit Insurance Corporation
550 17th Street NW, Washington, D.C. 20429-9990

Division of Supervision and Consumer Protection

October 4, 2005

VIA FACSIMILE AND BY CERTIFIED MAIL RETURN RECEIPT REQUESTED

Board of Directors
Wauwatosa Savings Bank
11200 West Plank Court
Wauwatosa, Wisconsin 53226

Dear Members of the Board:

The notice of intent to convert from mutual to stock form filed on behalf of Wauwatosa Savings Bank, Wauwatosa, Wisconsin, has been reviewed by the Federal Deposit Insurance Corporation (FDIC) pursuant to the FDIC's regulations at 12 C.F.R. Sections 303.163 and 333.4. Based on the information provided and representations made, the FDIC poses no objection to the proposed conversion transaction.

Please notify our Chicago Regional Office in writing when the proposed transaction has been consummated.

Sincerely,

/s/

John M. Lane
Deputy Director

cc: Hoyt R. Stastney, Esquire
Quarles & Brady LLP
411 East Wisconsin Avenue

FEDERAL DEPOSIT INSURANCE CORPORATION

Wauwatosa Savings Bank
Wauwatosa, Wisconsin

Application for Consent to Merge
to facilitate a conversion from a
Mutual Savings Bank to a Stock Savings Bank

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 the Wauwatosa Savings Bank, Wauwatosa, Wisconsin (Mutual Institution), currently a Wisconsin-chartered mutual savings bank and Savings Association Insurance Fund (SAIF) member with total resources of \$1,382,448,000 and total deposits of \$1,144,789,000 as of June 30, 2005, for the FDIC's consent to merge with Wauwatosa Interim 2 Stock Savings Bank, Wauwatosa, Wisconsin, a proposed new Wisconsin-chartered stock savings bank.

The transaction is the result of Mutual Institution's plan of conversion, which, solely to facilitate such undertaking, provides for:

- Mutual Institution will form a wholly-owned Wisconsin stock savings bank named Wauwatosa Interim 1 Stock Savings Bank (Interim 1);
- Interim 1 will form two wholly-owned subsidiaries. One will be a Wisconsin stock savings bank named Wauwatosa Interim 2 Stock Savings Bank (Interim 2). The other will be a Wisconsin stock business corporation named Wauwatosa Holdings, Inc. (SHC);
- Mutual Institution converts to a Wisconsin stock savings bank (Stock Bank), and adopts articles and bylaws appropriate for a Wisconsin stock savings bank;
- Interim 1 converts from a stock savings bank to a Wisconsin mutual holding company, cancels its outstanding stock, adopts a charter and bylaws appropriate for a Wisconsin mutual holding company, and changes its name to Lamplighter Financial, MHC;
- Interim 2 is merged into the Stock Bank; Interim 2 will cease to exist. The Stock Bank will survive as a wholly-owned subsidiary of Lamplighter Financial, MHC.
- Lamplighter Financial, MHC transfers all of the stock of Stock Bank to the SHC, in exchange for voting stock of the SHC, making Stock Bank a wholly-owned direct subsidiary of the SHC and an indirect subsidiary of Lamplighter Financial, MHC.

- Simultaneously with the reorganization, SHC will sell a minority interest of its shares of common stock in a public offering. Lamplighter Financial, MHC will retain a majority of SHC's common stock.

At the conclusion of the reorganization, the deposits of Wauwatosa Savings Bank will continue to be insured under the SAIF. Following consummation of the merger, Wauwatosa Savings Bank will operate the same banking business, with the same management, and at the same locations as the Mutual Institution. The proposed transaction will not alter the competitive structure of banking in the market served by Mutual Institution. Wauwatosa Savings Bank's main office will continue to be located at 11200 West Plank Court, Wauwatosa, Wisconsin.

Applications for the conversion and reorganization of Mutual Institution and the subsequent merger of the Stock Bank with Wauwatosa Interim 2 Stock Savings Bank have been approved by the Wisconsin Department of Financial Institutions. Applications for the establishment of Wauwatosa Financial, Inc., and Lamplighter Financial, MHC have been filed with the Board of Governors of the Federal Reserve System.

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 bank 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 applications, the FDIC has taken into consideration the financial and managerial resources and future prospects of the proponent bank and the resultant bank, the convenience and needs of the community to be served, and the effectiveness of any insured depository institution involved in the proposed merger transaction in combating money laundering activities. Having found favorably on all statutory factors and having considered other relevant information, including 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, and the Attorney General of the United States, it is the FDIC's judgment that the applications should be and are hereby approved, subject to the following conditions:

1. That, the transaction may not be consummated unless the Plan of Reorganization from Mutual Savings Bank to Mutual Holding Company receives prior approval by an affirmative vote of at least a majority of the total votes eligible to be cast by Mutual Institution's depositors;
2. That, the proposed transaction may not be consummated unless and until Wauwatosa Savings Bank's holding companies, Wauwatosa Holdings, Inc. and Lamplighter Financial, MHC, are granted approval by the Board of Governors of the Federal Reserve System to become holding companies for Wauwatosa Savings Bank;

3. That, except for the proposed transfer of stock to Wauwatosa Holdings, Inc., no shares of the stock of Wauwatosa Savings Bank shall be sold, transferred or otherwise disposed of, to any person (including any Employee Stock Ownership Plan) unless prior notice is provided to, and non-objection is received from, the FDIC;
4. That, prior to the sale, transfer, or other disposition of any shares of Wauwatosa Holdings, Inc. by Lamplighter Financial, MHC to any person (including any Employee Stock Ownership Plan), or a conversion of the mutual holding company to stock form, Wauwatosa Savings Bank will provide written notification to the FDIC and will provide the FDIC with copies of all documents filed with state and federal banking and/or securities regulators in connection with such sale, transfer, disposition, or conversion;
5. That, should any shares of the stock of Wauwatosa Savings Bank or Wauwatosa Holdings, Inc. be issued to persons other than Lamplighter Financial, MHC, any dividends waived by Lamplighter Financial, MHC must be retained by Wauwatosa Holdings, Inc. or Wauwatosa Savings Bank and segregated, earmarked, or otherwise identified on the books and records of Wauwatosa Holdings, Inc. or Wauwatosa 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 Lamplighter Financial, 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;
6. That, any change in proposed management, including the board of directors or proposed ownership (10 percent or more of the stock and new acquisitions of or subscriptions to 10 percent or more of the stock), will render this approval null and void unless such proposal is approved by the FDIC prior to the consummation of the proposed transaction;
7. That, the transaction shall not be consummated within less than fifteen 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 12th day of August, 2005

By:

/s/

John M. Lane
Deputy Director
Division of Supervision and Consumer Protection