



First Independence Corporation

FOR IMMEDIATE RELEASE

FIRST INDEPENDENCE CORPORATION AND FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION ENTER INTO SUPERVISORY AGREEMENTS WITH THE OFFICE OF THRIFT SUPERVISION

INDEPENDENCE, Kansas, September 16, 2010

First Independence Corporation (“Company”), parent company for First Federal Savings and Loan Association of Independence (“Association”), announced today that it, along with the Association, have entered into supervisory agreements with the Office of Thrift Supervision (“OTS”), the Association’s primary federal regulator. The agreements set forth steps being taken in response to regulatory concerns with construction lending in our Lawrence, Kansas market and effects of the current economic environment facing the financial services industry.

The agreements require, among other things, that the Association obtain an independent third-party assessment of its internal asset review and allowance for loan and lease loss methodology and conduct an independent third-party review of a portion of its commercial and construction loan portfolios.

The agreements also direct the Association to provide a plan to reduce its classified assets and restrict the payment of dividends or other capital distributions by the Association or the Company during the period of the agreements. The agreements did not direct the Association to raise capital or make management or board changes. The agreements will remain in effect until modified, suspended or terminated by the OTS.

“These agreements should not impact our day-to-day operations or our relationship with our customers or employees,” said Jim Mitchell, President and CEO. “Many of the steps contained in the agreements are consistent with actions we identified as necessary and have already begun implementing to navigate this unprecedented economic disruption. The Association’s capital ratios are significantly above regulatory minimums and senior management is actively addressing the issues outlined in the agreement as we endeavor to achieve the requirements of the OTS.” The Association’s core and total risk-based capital levels at June 30, 2010, were 8.83 percent and 14.37 percent, respectively. Under regulatory guidelines required by the OTS, a typical thrift is considered “well capitalized” if its core and total risk-based capital ratios exceed 5.0 percent and 10.0 percent, respectively.

“Like many financial institutions throughout the country, First Federal continues to manage through a challenging real estate environment,” said Jim Mitchell, President and CEO. “These challenges have certainly been considerable. However, our continued strong core earnings and capital levels provide us the tools to successfully manage our way to more robust economic times. The Association will continue to serve its customers in all areas and all customer deposits remain fully insured to the highest limits set by the FDIC.”