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AN IMPORTANT MESSAGE TO THE SHAREHOLDERS OF
OREGON TRAIL FINANCIAL CORP. FROM THE STILWELL VALUE GROUP

Dear Oregon Trail Financial Shareholder:

I am writing to you as a fellow investor in Oregon Trail Financial corp. The Stilwell Value Group, which includes accounts I manage and personal investments, owns 284,000 shares, or 8.5%, of Oregon Trail Financial Corp. As you may have read from my Group's Schedule 13Ds on file with the SEC, I am working to improve the situation for us—the owners. Now I want to share my thoughts and plans directly with you, and I would like to hear your thoughts too.

I believe that the company's shareholders have the same goal: to maximize the value of the Company. I also believe, for a number of reasons, that the best way – and perhaps the only way—to maximize shareholder value at this point is through a sale of the Company to a larger, better-run operation. I have fought successfully to maximize shareholder value at three other financial institutions culminating in sales. I have urged our Company's Board to explore this possibility by retaining an investment banker or by speaking with potential acquirers. But they tell me they are not interested. Management and the Board argue that they can increase the Company's value through internal growth and "superior" customer service. Yet with three successive management teams in as many years, it is my opinion that the Board has completely "struct out" in this regard:

- In the three plus years since coming public the Company has failed to earn even a meager 5% return on equity ("ROE") in any year. (ROE is the best and most basic standard by which to judge a thrift's financial performance.) By way of comparison, an investment in a certificate of deposit would have yielded more than management has produced by running our Bank. Even the Board does not deny that this is a remarkably poor performance. The Company's third management team recently announced its plan for "restructuring and strategic focus": to fire 18% of its full time employees and to project a dismal ROE of less than 7% for the coming fiscal year.
- The Company squandered an opportunity within the past 12 months to repurchase a significant portion of its shares at a substantial discount to book value. Stock repurchases improve ROE, book value, and franchise value. In short, they

maximize shareholder value. But management wasted the opportunity and only repurchased a minor portion of the shares that were offered for sale over the past 12 months.

- I believe the Board has been acting more on its own behalf than on our behalf. They received, at no cost, hundreds of thousands of dollars in stock and stock options despite the Company's poor performance. When one of the directors moved out of the market area in violation of the Company's bylaws, the Board tried to "grandfather" him so that he would not lose his unvested options and free shares. I have gone to court to try to remove this director and to put an end to this entrenchment. They also flatly rejected my proposal to add two new capable individuals to the Board. And, the Board is trying to keep me from effectively communicating with you on an equal footing by withholding the complete record of shareholders. I have had to go to court on this issue as well.

It is my opinion that one of the best ways to maximize shareholder value is through the representation of significant shareholders on the Board. The Stilwell Value Group is the Company's single largest shareholder. My Group will run an alternative slate of directors at the upcoming annual meeting. Through representation on the Board, my Group will attempt to persuade the Board to retain an investment banker and to pursue the sale of the Company. In the period leading up to the annual meeting, I will continue to actively encourage the Company to adopt a more shareholder-friendly approach, and I urge you to do the same. I would appreciate hearing your concerns.

I also encourage you to contact your financial advisor or broker to discuss the recent merger and acquisition activity in the thrift sector and to discuss the premiums paid for thrifts in these mergers.

REMEMBER: THIS IS OUR COMPANY! WE HAVE THE RIGHT TO INSIST THAT OUR BOARD ACTIVELY SEEK TO MAXIMIZE SHAREHOLDER VALUE!

On behalf of the Stilwell Value Group

Joseph Stilwell

April 6, 2001