

AGREEMENT BY AND BETWEEN
The First National Bank of Berlin
Berlin, Wisconsin
and
The Comptroller of the Currency

The First National Bank of Berlin, Berlin, Wisconsin (“Bank”) and the Comptroller of the Currency of the United States of America (“Comptroller”) wish to protect the interests of the depositors, other customers, and shareholders of the Bank, and, toward that end, wish the Bank to operate safely and soundly and in accordance with all applicable laws, rules and regulations.

The Comptroller has found unsafe and unsound banking practices relating to credit risk management systems at the Bank. The Comptroller, through his National Bank Examiner, has examined the Bank, and his findings are contained in the Report of Examination, dated January 25, 2007 (ROE).

In consideration of the above premises, it is agreed, between the Bank, by and through its duly elected and acting Board of Directors (“Board”), and the Comptroller, through his authorized representative, that the Bank shall operate at all times in compliance with the articles of this Agreement.

ARTICLE I

JURISDICTION

(1) This Agreement shall be construed to be a “written agreement entered into with the agency” within the meaning of 12 U.S.C. § 1818(b)(1).

(2) This Agreement shall be construed to be a “written agreement between such depository institution and such agency” within the meaning of 12 U.S.C. § 1818(e)(1) and 12 U.S.C. § 1818(i)(2).

(3) This Agreement shall be construed to be a “formal written agreement” within the meaning of 12 C.F.R. § 5.51(c)(6)(ii). See 12 U.S.C. § 1831i.

(4) This Agreement shall be construed to be a “written agreement” within the meaning of 12 U.S.C. § 1818(u)(1)(A).

(5) This Agreement shall cause the Bank to be designated as in “troubled condition,” as set forth in 12 C.F.R. § 5.51(c)(6), unless otherwise informed in writing by the Comptroller. In addition, this Agreement shall cause the Bank not to be designated as an “eligible bank” for purposes of 12 C.F.R. § 5.3(g), unless otherwise informed in writing by the Comptroller.

(6) All reports or plans which the Bank or Board has agreed to submit to the Assistant Deputy Comptroller pursuant to this Agreement shall be forwarded to the:

Assistant Deputy Comptroller
Milwaukee Field Office
1200 North Mayfair Road, Suite 200
Wauwatosa, WI 53226

ARTICLE II

CREDIT UNDERWRITING

(1) Effective immediately, the Bank may grant, extend, renew, or materially alter or restructure any loan or other extension of credit over fifty thousand (\$50,000) only after:

- (a) Documenting, in writing, the specific reason or purpose for the extension of credit;
- (b) identifying, in writing, the expected source of repayment;
- (c) structuring the repayment terms to coincide with the expected source of repayment;
- (d) documenting, with adequate supporting material, the value of collateral and properly perfecting the Bank's lien on it where applicable; and,

- (e) obtaining and analyzing current and satisfactory financial/credit information, including financial information on guarantors, when applicable.
 - (i) Failure to obtain the information in (1)(e) shall require a majority of the full Board (or a delegated committee thereof) to certify in writing the specific reasons why failing to obtain and analyze the information in (1)(e) would not be detrimental to the best interests of the Bank.
 - (ii) A copy of the Board certification shall be maintained in the credit file of the affected borrower(s) or noted in the board minutes. The certification will be reviewed by this Office in subsequent examinations of the Bank.
- (2) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure adherence to the requirements of this Article.

ARTICLE III

CRITICIZED ASSETS

(1) The Bank shall take immediate and continuing action to reduce credit risk and to protect its interest in those assets criticized in the ROE, in any subsequent Report of Examination, by internal or external loan review, or in any list provided to management by the National Bank Examiners during any examination.

(2) By June 30, 2007, the Board shall adopt, implement, and thereafter ensure Bank adherence to a written program designed to eliminate the basis of criticism of assets criticized in the ROE, in any subsequent Report of Examination, or by any internal or external loan review, or in any list provided to management by the National Bank Examiners during any examination as "doubtful," "substandard," or "special mention." This program shall include, at a minimum:

- (a) an identification of the expected sources of repayment;
- (b) the appraised value of supporting collateral and the position of the Bank's lien on such collateral where applicable;
- (c) an analysis of current and satisfactory financial/credit information, including financial information on guarantors; and,
- (d) the proposed action to eliminate the basis of criticism and the time frame for its accomplishment.

(3) Upon adoption, a copy of the program for all criticized assets equal to or exceeding one hundred thousand dollars (\$100,000) shall be forwarded to the Assistant Deputy Comptroller.

(4) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the program developed pursuant to this Article.

(5) The Board, or a designated committee, shall conduct a review, on at least a quarterly basis, to determine:

- (a) the status of each criticized asset or criticized portion thereof that equals or exceeds one hundred thousand dollars (\$100,000);
- (b) management's adherence to the program adopted pursuant to this Article;
- (c) the status and effectiveness of the written program; and,
- (d) the need to revise the program or take alternative action.

(6) A copy of each review shall be forwarded to the Assistant Deputy Comptroller on a quarterly basis (in a format similar to Appendix A, attached hereto).

(7) The Bank may extend credit, directly or indirectly, including renewals, extensions or capitalization of accrued interest, to a borrower whose loans or other extensions of credit are

criticized in the ROE, in any subsequent Report of Examination, in any internal or external loan review, or in any list provided to management by the National Bank Examiners during any examination and whose aggregate loans or other extensions exceed twenty-five thousand (\$25,000) only if each of the following conditions is met:

- (a) the Board or designated committee finds that the extension of additional credit is necessary to promote the best interests of the Bank and that prior to renewing, extending or capitalizing any additional credit, a majority of the full Board (or designated committee) approves the credit extension and records, in writing, why such extension is necessary to promote the best interests of the Bank; and
- (b) a comparison to the written program adopted pursuant to this Article shows that the Board's formal plan to collect or strengthen the criticized asset will not be compromised.

(8) A copy of the approval of the Board or of the designated committee shall be maintained in the file of the affected borrower or noted in the board minutes.

ARTICLE IV

LOAN POLICY

(1) By June 30, 2007, the Board shall revise the Bank's Loan Policy to include the following:

- (a) requirements for how debt service coverage should be calculated for various types of businesses;
- (b) specific debt service coverage requirements for loans to be repaid from the cash flow of the borrower and/or guarantor;

- (c) requirements for annual reviews of credits with maturities greater than one year;
- (d) requirements for when vacant land and speculative homes held for sale should begin amortization; and,
- (e) guidelines and limitations on concentrations of credit.

(2) The Board shall submit a copy of the Bank's revised Loan Policy to the Assistant Deputy Comptroller for his prior determination of no objection. Provided that the Board has submitted the revised Loan Policy to the Assistant Deputy Comptroller on or before June 30, 2007 and is not advised in writing of any objection to the revised Loan Policy within 30 days of such submission, the Board and the Bank shall be deemed to be compliance with the requirements of this paragraph.

(3) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure adherence to the Bank's Loan Policy.

ARTICLE V

FINANCIAL SUBSIDIARY

(1) On June 29, 2004, the Office of the Comptroller of the Currency (OCC) approved the First National Bank of Berlin, Wisconsin ("Bank") to acquire Eagle One Title Services, Inc., a financial subsidiary ("Financial Subsidiary") pursuant to 12 U.S.C. § 24a and 12 C.F.R. § 5.39. The Bank is no longer in compliance with the qualification requirements to control or hold an interest in a financial subsidiary set forth at 12 U.S.C. § 24a(a)(2)(C) and 12 C.F.R. § 5.39(g)(1) because it is not "well managed" as that term is defined at 12 U.S.C. § 24a(g)(6). This article is required by 12 U.S.C. § 24a(e)(2) and 12 C.F.R. § 5.39(j)(i)(ii) and sets forth the corrective steps

the Bank will take to comply with the qualification requirements to control or hold an interest in a financial subsidiary set forth at 12 U.S.C. § 24a(a)(2)(C) and 12 C.F.R. § 5.39(g)(1).

(2) By October 24, 2007 (or such additional time as the OCC may permit), the Bank shall comply with the requirements of 12 U.S.C. §§ 24a(2)(C) and 24a(d).

(3) By October 24, 2007 (or such additional time as the OCC may permit), the Board shall implement and ensure adherence to each corrective action addressed in this agreement entered into between the Bank and the OCC. In the event that the OCC has not assigned satisfactory CAMELS composite and management component ratings to the Bank by October 24, 2007, the OCC may order the Bank to divest ownership or control of the Financial Subsidiary.

(4) Until the Bank complies with the qualification requirements of 12 U.S.C. § 24a(a)(2)(C), the OCC may, pursuant to 12 U.S.C. § 24a(e)(3), impose limitations on the conduct of the activities of the Bank or any of its subsidiaries that the OCC deems appropriate under the circumstances and consistent with the purposes of 12 U.S.C. § 24a.

ARTICLE VI

CLOSING

(1) Although the Board has agreed to submit certain programs and reports to the Assistant Deputy Comptroller for review or prior written determination of no supervisory objection, the Board has the ultimate responsibility for proper and sound management of the Bank.

(2) It is expressly and clearly understood that if, at any time, the Comptroller deems it appropriate in fulfilling the responsibilities placed upon him/her by the several laws of the

United States of America to undertake any action affecting the Bank, nothing in this Agreement shall in any way inhibit, estop, bar, or otherwise prevent the Comptroller from so doing.

(3) Any time limitations imposed by this Agreement shall begin to run from the effective date of this Agreement. Such time requirements may be extended in writing by the Assistant Deputy Comptroller for good cause upon written application by the Board.

(4) The provisions of this Agreement shall be effective upon execution by the parties hereto and its provisions shall continue in full force and effect unless or until such provisions are amended in writing by mutual consent of the parties to the Agreement or excepted, waived, or terminated in writing by the Comptroller.

(5) In each instance in this Agreement in which the Board is required to ensure adherence to, and undertake to perform certain obligations of the Bank, it is intended to mean that the Board shall:

- (a) authorize and adopt such actions on behalf of the Bank as may be necessary for the Bank to perform its obligations and undertakings under the terms of this Agreement;
- (b) require the timely reporting by Bank management of such actions directed by the Board to be taken under the terms of this Agreement;
- (c) follow-up on any non-compliance with such actions in a timely and appropriate manner; and
- (d) require corrective action be taken in a timely manner of any non-compliance with such actions.

(6) This Agreement is intended to be, and shall be construed to be, a supervisory “written agreement entered into with the agency” as contemplated by 12 U.S.C. § 1818(b)(1), and

expressly does not form, and may not be construed to form, a contract binding on the Comptroller or the United States. Notwithstanding the absence of mutuality of obligation, or of consideration, or of a contract, the Comptroller may enforce any of the commitments or obligations herein undertaken by the Bank under his supervisory powers, including 12 U.S.C. § 1818(b)(1), and not as a matter of contract law. The Bank expressly acknowledges that neither the Bank nor the Comptroller has any intention to enter into a contract. The Bank also expressly acknowledges that no officer or employee of the Office of the Comptroller of the Currency has statutory or other authority to bind the United States, the U.S. Treasury Department, the Comptroller, or any other federal bank regulatory agency or entity, or any officer or employee of any of those entities to a contract affecting the Comptroller's exercise of his supervisory responsibilities. The terms of this Agreement, including this paragraph, are not subject to amendment or modification by any extraneous expression, prior agreements or prior arrangements between the parties, whether oral or written.

IN TESTIMONY WHEREOF, the undersigned, authorized by the Comptroller, has hereunto set his hand on behalf of the Comptroller.

/s/

Joseph N. Meinhardt
Assistant Deputy Comptroller
Milwaukee/Iron Mountain Field Offices

4-24-2007

Date

IN TESTIMONY WHEREOF, the undersigned, as the duly elected and acting Board of Directors of the Bank, have hereunto set their hands on behalf of the Bank.

/s/

William C. Bush

4-24-2007

Date

/s/

Henry Derleth

4-30-2007

Date

/s/

Roger M. Field

4-24-2007

Date

/s/

Richard N. Fortnum

4-24-2007

Date

/s/

Thomas Jensen

4-24-2007

Date

/s/

Russel L. Kuehn

4-24-2007

Date

/s/

Patrick Seaman

4-24-2007

Date

/s/

Jeff W Walker

4-24-2007

Date

/s/

Thomas Willett

4-24-2007

Date