

#2007-059

Terminates #2004-131

**UNITED STATES OF AMERICA
DEPARTMENT OF THE TREASURY
OFFICE OF THE COMPTROLLER OF THE CURRENCY**

In the Matter of:)
First National Bank of Paonia)
Paonia, Colorado)

**ORDER TERMINATING THE
CONSENT ORDER**

WHEREAS, in an effort to protect the depositors, other customers and shareholders of First National Bank of Paonia, Paonia, Colorado (“Bank”), and to ensure the Bank's safe and sound operation, the Bank, by and through its duly elected and acting Board of Directors, consented to the issuance of a Consent Order (“Consent Order”) dated November 18, 2004 against the Bank by the Comptroller of the Currency of the United States of America (“Comptroller” or “OCC”); and

WHEREAS, on February 2, 2007 First Colorado Financial Corporation (“FCFC”), a corporation organized under the laws of the State of Colorado, filed an application with the Board of Governors of the Federal Reserve System to acquire 100% of the issued and outstanding shares of the First National Bank of Paonia, Paonia, Colorado (the name of which will be changed to First Colorado National Bank), and thus for FCFC to become a bank holding company; and

WHEREAS, as a condition to this acquisition and in order to address the OCC's concerns, the directors of FCFC entered into an Agreement dated April 4, 2007 with the OCC agreeing that after FCFC acquires control of the Bank, the Directors would cause the Bank to enter into a written Operating Agreement with the OCC to replace the Consent Order; and

WHEREAS, the Operating Agreement was entered into on May 10, 2007;

NOW, THEREFORE, the Comptroller directs that the Consent Order dated November 18, 2004 be, and it hereby is, TERMINATED.

IN TESTIMONY WHEREOF, the undersigned, designated by the Comptroller as his authorized representative, has hereunto set his hand.

/s/ Ronald G. Schneck

5/10/2007

Ronald G. Schneck
Director for Special Supervision
Washington, DC

Date