#2007-081

AGREEMENT BY AND BETWEEN
ANB Financial National Association
Rogers, Arkansas
and
The Comptroller of the Currency

ANB Financial National Association, Rogers, Arkansas ("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 the supervision of the affairs of the Bank.

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 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
Kansas City South Field Office
7101 College Blvd., Suite 1600
Overland Park, Kansas 66210-2077

ARTICLE II

NEW SENIOR LOAN OFFICER

(1) Within ninety (90) days, the Board shall appoint a new, capable Senior Loan Officer who shall be vested with sufficient executive authority to fulfill the duties and responsibilities of the position and ensure the safe and sound operation of the Bank.

(2) Prior to the appointment of any individual to the Senior Loan Officer position, the Board shall submit to the Assistant Deputy Comptroller the following information:

(a) The information sought in the "Changes in Directors and Senior Executive Officers" booklet of the Comptroller's Licensing Manual, together with a legible fingerprint card for the proposed individual;

(b) A written statement of the Board's reasons for selecting the proposed officer; and

(c) A written description of the proposed officer's duties and responsibilities.

(3) The Assistant Deputy Comptroller shall have the power to disapprove the appointment of the proposed new senior executive officer. However, the lack of disapproval of such individual shall not constitute an approval or endorsement of the proposed senior executive officer.

(4) The requirement to submit information and the prior disapproval provisions of this Article are based upon the authority of 12 U.S.C. § 1818(b) and do not require the Comptroller or the Assistant Deputy Comptroller to complete his/her review and act on any such information or authority within ninety (90) days.

ARTICLE III

STRATEGIC PLAN

(1) Within sixty (60) days, the Board shall revise, adopt, implement and thereafter ensure Bank adherence to a written strategic plan for the Bank covering at least a three-year period. The revised strategic plan shall establish objectives for the Bank's overall risk profile, earnings performance, growth, balance sheet mix, off-balance sheet activities, liability structure, capital adequacy, reduction in the volume of nonperforming assets, product line development and market segments that the Bank intends to promote or develop, together with strategies to achieve those objectives and, at a minimum, include or continue to include:

(a) A mission statement that forms the framework for the establishment of strategic goals and objectives;

(b) An assessment of the Bank's present and future operating environment;

(c) The development of strategic goals and objectives to be accomplished over the short and long term;

(d) An identification of the Bank's present and future product lines (assets and liabilities) that will be utilized, and market segments that the Bank intends to promote and develop to accomplish the strategic goals and objectives established in Paragraph (1)(c) of this Article;

(e) An evaluation of the Bank's internal operations, staffing requirements, board and management information systems and policies and procedures for their adequacy and contribution to the accomplishment of the goals and objectives developed under Paragraph (1)(c) of this Article;

(f) A management employment and succession program to promote the retention and continuity of capable management;

(g) An action plan to accomplish identified strategic goals and objectives, including individual responsibilities, accountability and specific time frames;

(h) A financial forecast to include projections for major balance sheet and income statement accounts and desired financial ratios over the period covered by the strategic plan;

(i) Control systems to mitigate risks associated with planned new products, growth, or any proposed changes in the Bank's operating environment;

(j) Specific plans to establish responsibilities and accountability for the strategic planning process, new products, growth goals, or proposed changes in the Bank's operating environment; and

(k) Systems to monitor the Bank's progress in meeting the plan's goals and objectives.

(2) Upon adoption, a copy of the revised strategic plan shall be forwarded to the Assistant Deputy Comptroller for review and prior written determination of no supervisory objection. Upon receiving a determination of no supervisory objection from the Assistant Deputy Comptroller, the Bank shall implement and adhere to the revised strategic plan.

(3) The Bank must give the Assistant Deputy Comptroller at least forty-five (45) days advance, written notice of its intent to deviate significantly from the revised strategic plan.

(4) For purposes of this Article, changes that may constitute a significant deviation from the revised strategic plan include, but are not limited to, any significant deviation from marketing strategies, marketing partners, acquisition channels; underwriting practices and standards, account management strategies and test programs; collection strategies, partners or operations; fee structure, pricing, or fee application methods; accounting processes and practices; funding strategy; or any other changes in personnel, operations, or external factors that may have a material impact on the Bank's operations or financial performance.

(5) Prior to making any changes that significantly deviate from the Bank's revised strategic plan, the Board shall perform an evaluation of the adequacy of the Bank's organizational structure, staffing, management information systems, internal controls and written policies and procedures to identify, measure, monitor, and control the risks associated with the change. The evaluation should include an assessment of the impact of such change on the Bank's condition, including profitability analysis. The Board shall submit a copy of the evaluation to the OCC for its prior review and prior determination of no supervisory objection.

(6) Until the Bank receives from the Assistant Deputy Comptroller a written notice of no supervisory objection to the revised strategic plan as required by Paragraph (2) of this Article, the Bank shall not increase its total loans by more than ten percent (10%) from the amount

reported in its June 30, 2007 Consolidated Report of Condition ("Call Report").

ARTICLE IV

CAPITAL PLAN AND HIGHER MINIMUMS

(1) The Bank shall achieve and maintain the following minimum capital ratios, where the meaning of such terms are as defined in 12 C.F.R. Part 3:

(a) Total risk based capital at least equal to:

(i) Ten and three-fourths percent (10.75%) of risk-weighted assets by September 30, 2007; and

(ii) Eleven percent (11%) of risk-weighted assets by December 31, 2007; and

(b) Tier 1 capital at least equal to eight percent (8%) of adjusted total assets.[1]

(2) The requirement in this Agreement to meet and maintain a specific capital level means that the Bank may not be deemed to be "well capitalized" for purposes of 12 U.S.C. § 1831o and 12 C.F.R. Part 6 pursuant to 12 C.F.R. § 6.4(b)(1)(iv).

(3) Within sixty (60) days, the Board shall revise, adopt, implement, and thereafter ensure Bank adherence to a three-year capital program. The program shall include:

(a) Specific plans for the maintenance of adequate capital that may in no event be less than the requirements specified in Paragraph (1) of this Article;

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[1] Adjusted total assets is defined in 12 C.F.R. § 3.2(a) as the average total asset figure used for Call Report purposes minus end-of-quarter intangible assets.

(b) Projections for capital requirements based upon a detailed analysis of the Bank's assets, liabilities, earnings, fixed assets, and off-balance sheet activities;

(c) Projections on the sources and timing of additional capital to meet the Bank's current and future needs;

(d) The primary source(s) from which the Bank will strengthen its capital structure to meet the Bank's needs;

(e) Contingency plans that identify alternative methods should the primary source(s) under Paragraph (1)(d) of this Article not be available; and

(f) A dividend policy that permits the declaration of a dividend only in an amount sufficient to cover the estimated shareholder federal and Arkansas state income taxes associated with the Schedule K-1 distribution of Bank's earnings, but in no event more than forty-two percent (42%) of the Bank's earnings, if:

(i) The Bank is in compliance with its approved capital program;

(ii) The Bank is in compliance with 12 U.S.C. §§ 56 and 60; and

(iii) The Board has documented compliance with the provisions of Paragraph (3)(f) and approved the declaration of the dividend in the Board's official minutes.

(4) The Board shall forward a copy of the dividend calculation and Board minutes containing the dividend approval and documentation of compliance with Paragraph (3)(f) of this Article to the Assistant Deputy Comptroller within ten (10) days of each Board meeting at which dividends are approved.

(5) The Bank may request to exceed the dividends allowed under Paragraph (3)(f) of this Article by submitting a written request to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection.

(6) Upon completion, the Bank's capital program shall be submitted to the Assistant Deputy Comptroller for prior determination of no supervisory objection. Upon receiving a determination of no supervisory objection from the Assistant Deputy Comptroller, the Bank shall implement and adhere to the capital program. The Board shall review and update the Bank's capital program on an annual basis, or more frequently if necessary. Copies of the reviews and updates shall be submitted to the Assistant Deputy Comptroller.

(7) 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.

ARTICLE V

CREDIT RISK MANAGEMENT

(1) Within thirty (30) days, the Board shall take necessary steps to ensure the Bank's credit risk management systems are sufficient to ensure the Bank's loan portfolio is managed in a safe and sound manner.

(2) The Board shall revise, adopt, implement and thereafter ensure Bank adherence to a written program of policies and procedures designed to manage the risk in the Bank's commercial real estate ("CRE") loan portfolio, to include at a minimum:

(a) Procedures to strengthen credit underwriting in the CRE portfolio, including expanded loan presentations and analysis providing for:

(i) More detailed project plans;

(ii) Timeframes for project completion;

(iii) More detailed market analysis;

(iv) Stress testing of significant property and lending assumptions; and

(v) More detailed analysis of the financial support of significant guarantors;

(b) The establishment of more diversified CRE concentration limits;

(c) Strategies and procedures, including appropriate CRE loan growth restrictions, to ensure that CRE concentrations conform with established limits;

(d) Monthly monitoring of concentration reports that stratify the CRE portfolio by product type, locality and other meaningful measures;

(e) At a minimum, quarterly reports to senior management and the loan committee of project status, including:

(i) Development status;

(ii) Comparison of sales activity and development costs to budget;

(iii) Current market conditions and activity;

(iv) Level of interest reserve and comparison to budget; and

(v) Any other significant comments on development.

(3) Within sixty (60) days, the Board shall revise, adopt, implement and thereafter ensure Bank adherence to a written program of policies and procedures designed to aggregate and track exceptions to policy and underwriting guidelines for CRE, to include at a minimum, monthly Board monitoring of policy exception reports that track aggregate number and dollar

amount of loans of material underwriting exceptions by type of loan, to include exceptions to the appraisal requirements described in Paragraph (4) below.

(4) Within sixty (60) days, the Board shall revise, adopt, implement and thereafter ensure Bank adherence to a written program of policies and procedures designed to ensure the Bank obtains appraisals in compliance with the Uniform Standards of Professional Appraisal Practice, 12 C.F.R. Part 34, OCC Advisory Letter 2003-9, and OCC Bulletin 2005-6, to include at a minimum:

(a) The required use of a standard appraisal form for ordering all appraisals;

(b) The ordering of appraisals, independent of the lending function;

(c) The use of Board approved appraisers only, except for specialized or out-of-area transactions, in which case the appraisal will be conducted by an MAI designated member;

(d) The establishment of a policy requiring a meaningful, independent review of all appraisals to include analysis commensurate with the type, size and complexity of the property being appraised; and

(e) The establishment of a consolidated tickler system for tracking appraisals ordered, received, returned, and reviewed.

(5) The Board shall submit a copy of the revised policies and procedures required by this Article to the Assistant Deputy Comptroller.

(6) At least quarterly, the Board shall prepare a written assessment of the Bank's credit risk, which shall evaluate the Bank's progress in reaching compliance with the policies and procedures required by this Article. The Board shall submit a copy of this assessment to the Assistant Deputy Comptroller.

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

ARTICLE VI

CONCENTRATION RISK MANAGEMENT

(1) Within sixty (60) days, the Board shall adopt, implement, and thereafter ensure Bank adherence to a written asset diversification program consistent with OCC Banking Circular 255. The program shall formally document those concentration management actions in which the Bank is currently engaged and shall further include, but not necessarily be limited to, the following:

- (a) Continuing review of the balance sheet to identify any concentration of credits, with particular emphasis on the Bank's CRE loan portfolio;
- (b) A more detailed written analysis of any concentration of credit identified above in order to identify and assess the inherent credit, liquidity, and interest rate risk;
- (c) Policies and procedures to control and monitor concentrations of credit, including:
  - (i) Concentration risk reports that provide a stratified evaluation of concentrations in submarkets for each of the Bank's loan production offices;
  - (ii) Inclusion of a synopsis of management's market analysis as part of the concentration risk report provided to the Board;

(iii) Aggregation of the results of stress testing individual borrowers into the concentration risk summary report provided to the Board; and

(iv) Appropriate underwriting limitations within the loan policy when the loan concentrations are approaching concentration limits established by the Board.

(d) An action plan approved by the Board to reduce the risk of any concentration deemed imprudent in the above analysis.

(2) For purposes of this Article, a concentration credit is as defined in the "Loan Portfolio Management" booklet of the Comptroller's Handbook.

(3) The Board shall ensure that future concentrations of credit are subjected to the analysis required by Paragraph (1)(b) and that the analysis demonstrates that the concentration will not subject the Bank to undue credit or interest rate risk.

(4) The Board shall forward a copy of any analysis required by Paragraph (1)(b) of this Article to the Assistant Deputy Comptroller immediately following such analysis.

(5) 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.

ARTICLE VII

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 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 her hand on behalf of the Comptroller.

Signed *6/25/07*

Karen W. Swingler Date
Assistant Deputy Comptroller
Kansas City South Field Office

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.

Signed	*6/25/07*
Charles Brannan	Date
Signed	*6/25/07*
Eric Brown	Date
Signed	*6/25/07*
Harry Brown	Date
Signed	*6/25/07*
Dan Dykema	Date
Signed	*6/25/07*
Blake Evans	Date
Signed	*6/25/07*
Vic Evans	Date
Signed	*6/25/07*
Debra Jackson	Date