

AGREEMENT BY AND BETWEEN
Cañon National Bank, Cañon City, Colorado
and
The Comptroller of the Currency

Cañon National Bank, Cañon City, Colorado (“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 determined that the Bank has engaged in unsafe and unsound banking practices relating to its board and management oversight, credit underwriting, credit administration, and management of liquidity and interest rate risk.

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) 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
Denver Field Office
1225 17th Street, Suite 450
Denver, Colorado 80202

Article II

COMPLIANCE COMMITTEE

(1) Within thirty (30) days of the date of this Agreement, the Board shall appoint a Compliance Committee of at least three (3) directors of which at least two (2) must not be an employee of the Bank or any of its affiliates (as the term “affiliate” is defined in 12 U.S.C. § 371c(b)(1)), or a family member of any such person. Upon appointment, the names of the members of the Compliance Committee and, in the event of a change of the membership, the name of any new member shall be submitted in writing to the Assistant Deputy Comptroller.

(2) The Compliance Committee shall be responsible for monitoring and coordinating the Bank’s adherence to the provisions of this Agreement and shall meet at least monthly.

(3) By no later than June 30, 2008, and by the end of every calendar month thereafter, the Compliance Committee shall submit a written progress report to the Board setting forth in detail:

- (a) a description of the action needed to achieve full compliance with each Article of this Agreement;
- (b) actions taken to comply with each Article of this Agreement; and
- (c) the results and status of those actions.

(4) The Board shall forward a copy of the Compliance Committee's report, with any additional comments by the Board, to the Assistant Deputy Comptroller within ten (10) days of receiving such report.

Article III

MANAGEMENT AND BOARD SUPERVISION

(1) Within thirty (30) days of the date of this Agreement, the Board shall employ an independent outside management consultant ("Consultant").

(2) Prior to the appointment or employment of any consultant or entering into any contract with a consultant, the Board shall submit the name and qualifications of the proposed consultant and the proposed terms of employment to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection.

(3) Within forty-five (45) days of the receipt of the written determination of no supervisory objection to the proposed consultant, the Consultant shall complete a study of current management and Board supervision presently being provided to the Bank, the Bank's management structure, and its staffing requirements in light of the Bank's present condition. The findings and recommendations of the Consultant shall be set forth in a written report (the "Management Study") to the Board. At a minimum, the Management Study shall contain:

- (a) the identification of present and future management and staffing requirements of each area of the Bank, with particular emphasis given to Board oversight, senior management and lending officers;
- (b) a detailed written description of:
 - (i) the Bank's corporate governance and decision-making process;

- (ii) the Bank's committees and the structure and purpose of each committee;
 - (iii) organizational chart; and
 - (iv) job descriptions for all executive officers;
- (c) an evaluation of each senior manager's knowledge, skills, abilities and a determination of whether each of these individuals possesses the experience and other qualifications required to perform present and anticipated duties of the position;
- (d) an evaluation of the responsibility for present weaknesses in the Bank's condition;
- (e) the effectiveness of the Bank's committees, corporate governance and decision-making process;
- (f) recommendations as to whether management, staffing and structural changes should be made, including the need for additions to, or deletions from, the current Board and management team or structure and lending staff;
- (g) objectives by which management's and the Board's effectiveness will be measured;
- (h) a training program to address identified weaknesses in the skills and abilities of the Bank's staff and management team;
- (i) an evaluation of current lines of authority, reporting responsibilities and delegation of duties for all officers, including identification of any overlapping duties or responsibilities;

- (j) a recommended organization chart that clearly reflects areas of responsibility and lines of authority for all officers;
- (k) an assessment of whether Board members are receiving adequate information on the operation of the Bank to enable them to fulfill their fiduciary duties and other responsibilities under law;
- (l) an assessment of the Board's strengths and weaknesses along with a director education program designed to strengthen identified weaknesses;
- (m) recommendations to ensure the Board exercises proper oversight over the affairs of the Bank; and
- (n) recommendations to correct or eliminate any other deficiencies in the supervision or organizational structure of the Bank.

(4) Within five (5) days of completion of the Management Study, a copy shall be forwarded to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection.

(5) Within thirty (30) days of receipt of the OCC's no objection to the Management Study, the Board shall prepare and submit a Management Plan to correct the deficiencies noted in the Management Study to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection.

(6) Within five (5) days of receipt of the OCC's no objection to the Management Plan, the Board shall adopt, implement and thereafter adhere to the Management Plan.

Article IV

CAPITAL AND STRATEGIC PLAN

- (1) Effective immediately, the Bank shall maintain the following minimum capital ratios:
- (a) from the date of this Agreement through August 31, 2008, Tier 1 capital at least equal to seven and eight tenths percent (7.8%) of adjusted total assets and thereafter, Tier 1 capital at least equal to eight percent (8.0%) of adjusted total assets; and
 - (b) at all times, total risk-based capital at least equal to eleven percent (11%) of risk-weighted assets.
- (2) For purposes of this Article, “Tier 1 capital,” “total risk-based capital,” “adjusted total assets,” and “risk-weighted assets” are as defined in 12 C.F.R. Part 3.
- (3) The requirement in this Agreement to meet and maintain a specific capital level means that the Bank is not to 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). Further, if the Bank fails to achieve or maintain the minimum level of capital required by Paragraph (1) of this Article, then the Bank shall be deemed, at best, “undercapitalized,” and the Bank shall take such corrective measures as the OCC may direct from among the provisions applicable to undercapitalized depository institutions under 12 U.S.C. § 1831o(e) and 12 C.F.R. Part 6. For purposes of this requirement, an action “necessary to carry out the purpose of this section” under 12 U.S.C. § 1831o(e)(5) shall include restoration of the Bank’s Tier 1 capital to the minimum levels required by this Agreement, and any other action deemed advisable by the OCC to address the Bank’s capital deficiency or the safety and soundness of its operations.

- (4) Effective immediately, the Bank shall only declare dividends:
- (a) when the Bank is in compliance with its approved capital program;
 - (b) when the Bank is in compliance with 12 U.S.C. §§ 56 and 60; and
 - (c) with the prior written approval from the Assistant Deputy Comptroller, which shall be granted or denied within thirty (30) days of the receipt of a dividend request from the Bank.

(5) Within thirty (30) days of the receipt of the written determination of no supervisory objection to the Management Plan, the Board shall develop, implement, and thereafter ensure Bank adherence to a written capital and strategic plan for the Bank covering at least the next three years (hereafter the “Bank’s Three-Year Plan”), complete with specific time frames that incorporate the Management Plan and that contains the capital, strategic and other requirements of this Article. Copies of the Bank’s Three-Year Plan shall be forwarded to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection.

(6) The Bank’s Three-Year Plan shall establish objectives and projections for the Bank’s overall risk profile, earnings performance, growth expectations, balance sheet mix, off-balance sheet activities, liability structure, capital and liquidity adequacy, product line development and market segments that the Bank intends to promote or develop, together with specific strategies to achieve those objectives, that are specific, measurable, verifiable, and, at a minimum, address or include:

- (a) an assessment of the Bank’s present and future operating environment;
- (b) a mission statement that forms the framework for the establishment of strategic goals and objectives;

- (c) the development of strategic goals and objectives to be accomplished over the short and long term;
- (d) the elimination of deficiencies in management leadership and Board oversight as described in the ROE, to include specific actions for attaining the necessary management expertise to return the Bank to a safe and sound condition;
- (e) specific plans to improve corporate governance practices to ensure:
 - (i) sound operating policies and procedures;
 - (ii) accurate regulatory and Board reporting;
 - (iii) sound internal controls to monitor policy adherence; and
 - (iv) accountability for these processes;
- (f) 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 pursuant to this Article;
- (g) specific plans to establish responsibilities and accountability for the strategic planning process, new products, proposed changes in the Bank's operating environment, and reducing problem assets;
- (h) loan growth limitations and actions to monitor, control and reduce, where appropriate, significant concentrations of credit;
- (i) control systems to identify and reduce risk to capital and earnings and risks associated with significant concentrations, or any proposed changes in the Bank's operating environment;

- (j) recognition that the Bank cannot offer or introduce new products or enter new market segments until it adopts an appropriate credit culture, implements sound risk management principles, and returns the Bank's condition to satisfactory;
- (k) 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;
- (l) a dividend policy that only permits the declaration of a dividend in accordance with Paragraph (4) of this Article;
- (m) specific plans for the maintenance of adequate liquidity in accordance with the requirements of Article XIII, to include the development of an appropriate contingency funding plan;
- (n) projections for capital and liquidity requirements based upon a detailed analysis of the Bank's assets, liabilities, earnings, fixed assets, and off-balance sheet activities;
- (o) the primary source(s), especially those that are not credit sensitive, from which the Bank will strengthen its capital structure to meet the Bank's needs;
- (p) contingency plans that identify alternative methods should the primary source(s) under subparagraph (o) not be available;
- (q) a financial forecast to include projections for major balance sheet and income statement accounts and desired financial ratios over the next three years that shall address or include consideration of the requirements of this Article; and

- (r) systems to monitor the Bank's progress in meeting the plan's goals and objectives.

Article V

CREDIT UNDERWRITING AND ADMINISTRATION

(1) Effective as of the date of this Agreement, the Board shall ensure that all lending officers comply with all laws, rules, regulations, Bank policies and procedures, safe and sound banking practices, and fiduciary duties.

(2) Effective as of the date of this Agreement, the Bank may not grant, extend, renew, alter or restructure any loan or other extension of credit equal to or exceeding fifty thousand dollars (\$50,000), without:

- (a) documenting the specific reason or purpose for the extension of credit;
- (b) identifying the expected source of repayment in writing;
- (c) structuring the repayment terms to coincide with the expected source of repayment;
- (d) obtaining current and satisfactory credit information, including performing and documenting analysis of credit information and a detailed cash flow analysis of all expected repayment sources;
- (e) determining and documenting whether the loan complies with the Bank's Loan Policy and if it does not comply, providing identification of the exception and ample justification to support waiving the policy exception;
- (f) making and documenting the determinations made regarding the customer's ability to repay the credit on the proposed repayment terms;

- (g) providing an accurate risk assessment grade and proper accrual status for each credit as further described in Article X;
- (h) documenting, with adequate supporting material, the value of collateral and properly perfecting the Bank's lien on it where applicable; and
- (i) obtaining the written approval of the Bank's Loan Committee or Board.

(3) Within thirty (30) days of the date of this Agreement, the Board shall take the necessary steps to obtain current and satisfactory credit information on all loans lacking such information, including those listed in the ROE, in any subsequent Report of Examination, in any internal or external loan review, or in any listings of loans lacking such information provided to management by the National Bank Examiners at the conclusion of an examination.

(4) Within thirty (30) days of the date of this Agreement, the Board shall ensure proper collateral documentation is maintained on all loans and correct each collateral exception listed in the ROE, in any subsequent Report of Examination, in any internal or external loan review, or in any listings of loans lacking such information provided to management by the National Bank Examiners at the conclusion of an examination.

(5) Within sixty (60) days of the date of this Agreement, 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 the Bank Loan Policy and underwriting guidelines for all loans and exceptions to the appraisal requirements described in Article VI. This includes at a minimum, monthly Board monitoring of policy exception reports that track aggregate number and dollar amount of loans with material underwriting exceptions by type of loan and loan officer.

(6) Within sixty (60) days of the date of this Agreement, the Board shall take the necessary steps to eliminate credit, collateral, and Bank Loan Policy exceptions, to include, at a minimum, the development of a program that makes loan officers accountable for such exceptions and considers such exceptions in the periodic performance reviews and compensation of such loan officers.

Article VI

APPRAISAL AND EVALUATION PROCESS

(1) Within sixty (60) days of the date of this Agreement, 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 USPAP, 12 C.F.R. Part 34, 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;
- (d) expectations regarding the selection of comparable sales, and when income or cost analysis should be used for income producing properties;
- (e) the establishment and implementation of a policy requiring a meaningful review, independent of the lender, of all appraisals to include analysis commensurate with the type, size and complexity of the property being appraised; and
- (f) the establishment of a tickler system for tracking appraisals ordered, received, returned, and reviewed.

Article VII

COMMERCIAL REAL ESTATE RISK MANAGEMENT

(1) Within sixty (60) days of the date of this Agreement, 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 in accordance with the guidelines in OCC Bulletin 2006-46, Concentration in Commercial Real Estate Lending, Sound Risk Management Practices (dated December 6, 2006) that, at a minimum, includes:

- (a) the establishment of an overall CRE strategy, to include CRE concentration limits stratified by type, locality and other meaningful measures;
- (b) monthly monitoring of concentration reports that stratify the CRE portfolio by product type, locality and other meaningful measures;
- (c) strategies and procedures to manage CRE concentrations to conform with established limits set in Subparagraph (a) of this Article;
- (d) portfolio-level multi-factor stress testing and/or sensitivity analysis to quantify the impact of changing economic conditions on asset quality, earnings, and capital;
- (e) significant individual loan stress testing and/or sensitivity analysis to quantify the impact of changing economic conditions on asset quality, earnings, and capital; and
- (f) the establishment of Loan Policy CRE underwriting standards by CRE type that specifically include requirements relating to: approval

authorizations, documentation, analysis, cash flow, collateral coverage, guarantors, appraisals, loan covenants, and construction loan administration.

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

(3) At least quarterly, the Board shall submit a written assessment of the Bank's progress in reaching compliance with the policies and procedures required by this Article 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 policies and procedures developed pursuant to this Article.

Article VIII

PROBLEM LOAN MANAGEMENT

(1) Effective as of the date of this Agreement, the Board shall take immediate and continuing action 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) The Board's compliance with Paragraph (1) of this Article shall include the development of procedures for the monthly submission and review of reports of all criticized credit relationships totaling \$100,000 or above, that require, at a minimum, analysis and documentation of the following:

(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 as well as other necessary documentation to support the collateral valuation;
- (c) an analysis of current and satisfactory credit information, including cash flow analysis where loans are to be repaid from operations;
- (d) the proposed action to eliminate the basis of criticism and the time frame for its accomplishment;
- (e) trigger dates for positive borrower actions or for loan officers to reassess the strategy and enact collection plans; and
- (f) for criticized relationships of \$100,000 or above that were made for the purpose of constructing or developing CRE, the reports shall also include:
 - (i) the initial scheduled maturity date of the loan, number of extensions and/or renewals, and current maturity date;
 - (ii) project development status;
 - (iii) a comparison of development costs to the budgeted amount;
 - (iv) a comparison of sales activity to the original sales projections;
 - (v) current market conditions and activity;
 - (vi) amount of initial interest reserve and the amount of any subsequent additions to the reserve;
 - (vii) an assessment of the borrower's global cash flow;
 - (viii) an assessment of the guarantor's ability to support the project; and
 - (ix) any other significant information relating to the project.

(3) Effective as of the date of this Agreement, the Bank may not 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 one-hundred thousand dollars (\$100,000) unless each of the following conditions is met:

- (a) the Board 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 approves the credit extension and records, in writing, why such extension is necessary to promote the best interests of the Bank; and
- (b) the Board's formal plan to collect or strengthen the criticized asset will not be compromised.

Article IX

OTHER REAL ESTATE OWNED

(1) Within thirty (30) days of the date of this Agreement, the Board shall adopt, implement, and thereafter ensure Bank adherence to a program to ensure that Other Real Estate Owned ("OREO") is managed in accordance with 12 U.S.C. § 29 and 12 C.F.R. Part 34. The program shall, at a minimum, address:

- (a) proper accounting procedures for OREO properties from transfer to the Bank and until and upon sale to a third party;

- (b) procedures to require timely appraisals pursuant to 12 C.F.R. § 34.85 and 12 C.F.R. Part 34, Subpart C;
- (c) diligent sales efforts;
- (d) reporting systems; and
- (e) the preparation of monthly action plans that provide the Board with the status of each OREO property and that:
 - (i) identify the Bank officer(s) responsible for managing and authorizing transactions relating to the OREO properties;
 - (ii) contain an analysis of each OREO property which compares the cost to carry against the financial benefits of near term sale;
 - (iii) detail the marketing strategies for each parcel;
 - (iv) identify targeted time frames for disposing each parcel of OREO; and
 - (v) establish procedures to require periodic market valuations of each property, and the methodology to be used.

(2) Upon adoption, the Board shall submit a copy of the program to the Assistant Deputy Comptroller for review.

Article X

CREDIT RISK RATINGS AND NONACCRUAL RECOGNITION

(1) Within thirty (30) days of the date of this Agreement, the Board shall develop a program to ensure that the risk associated with the Bank's loans is properly reflected and accounted for on the Bank's books and records, to include, at a minimum, provisions requiring that:

- (a) the Bank's loans and other assets are appropriately and timely risk rated and charged-off by the lending officers using a loan grading system that is based upon current facts, existing repayment terms and that is consistent with the guidelines set forth in Rating Credit Risk, A-RCR, of the *Comptroller's Handbook*;
- (b) the Bank's loans and other assets are timely placed on nonaccrual by the lending officers in accordance with the guidelines set forth in the Call Report;
- (c) loan officers are accountable for failing to appropriately and timely risk rate and/or place loans on nonaccrual; and
- (d) consideration of loan officer failure to properly risk rate and/or place loans on nonaccrual in periodic performance reviews and compensation.

Article XI

EXTERNAL LOAN REVIEW

(1) Within thirty (30) days of the date of this Agreement, the Board shall employ a qualified consultant to perform an asset quality review of the Bank. The external loan review shall provide for a written report to be filed with the Board and shall use a loan and lease grading system consistent with the guidelines set forth in Rating Credit Risk of the *Comptroller's Handbook*. Such report shall, at a minimum, include comments and conclusions regarding:

- (a) the loan review scope and coverage parameters;
- (b) the overall quality of the loan and lease portfolios;
- (c) the identification, type, rating, and amount of problem loans and leases including grading differences;

- (d) the identification and amount of delinquent loans and leases;
- (e) credit and collateral documentation exceptions;
- (f) the identification and status of credit related violations of law, rule or regulation;
- (g) the identity of the loan officer who originated each loan reported in accordance with Subparagraphs (b) through (e) of the Article;
- (h) concentrations of credit;
- (i) loans and leases to affiliates and related parties;
- (j) loans and leases not in conformance with the Bank's Loan Policy, and exceptions to the Bank's Loan Policy; and
- (k) any recommendations for improvements.

(2) Prior to the appointment or employment of any individual to this loan review consultant or entering into any contract with a consultant, the Board shall submit the name and qualifications of the proposed consultant and the proposed scope and terms of employment to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection.

Article XII

ALLOWANCE FOR LOAN AND LEASE LOSSES

(1) Within sixty (60) days of the date of this Agreement, the Board shall review the adequacy of the Bank's Allowance for Loan and Lease Losses ("Allowance") and shall establish a program for the maintenance of an appropriate Allowance. This review and program shall be designed to meet Generally Accepted Accounting Principles and regulatory guidance set forth in FAS 5, FAS 114, OCC Bulletin 2001-37, OCC Bulletin 2006-47, and the "Allowance for Loan

and Lease Losses” booklet of the *Comptroller’s Handbook*, and shall focus particular attention on the following factors:

- (a) suitable policies and procedures that communicate the Allowance process internally to all applicable personnel;
- (b) clear explanations and documentation for the Allowance analysis;
- (c) results of the Bank’s internal risk ratings;
- (d) results of the Bank’s external loan review;
- (e) an estimate of loss exposure on each impaired credit;
- (f) loan loss experience;
- (g) trends of delinquent and nonaccrual loans;
- (h) concentrations of credit in the Bank;
- (i) lending policies and procedures, including underwriting and collection, charge off and recovery practices;
- (j) changes in the nature and volume of the portfolio;
- (k) changes in lending management and staff;
- (l) changes in the loan review system; and
- (m) present and prospective economic conditions.

(2) The program shall provide for a review of the Allowance by the Board at least once each calendar quarter. Any deficiency in the Allowance shall be remedied in the quarter it is discovered, prior to the filing of the Call Report, by additional provisions from earnings.

Written documentation shall be maintained indicating the factors considered and conclusions reached by the Board in determining the adequacy of the Allowance.

Article XIII

FUNDS MANAGEMENT

(1) Within sixty (60) days of the date of this Agreement, the Board shall take the necessary steps to ensure the Bank maintains adequate sources of liquidity and controls interest rate risk, to include at a minimum:

- (a) a sources and uses of funds report to assist with monitoring the funds flow in the Bank;
- (b) interest rate risk reporting that compares the Bank's rate risk profile to limits established by the Board;
- (c) training or the addition of knowledgeable staff to ensure that all personnel involved in funds management, including senior management, understand, document, and are capable of making periodic adjustments, as needed, to the assumptions used in the Bank's interest rate risk model and in the Bank's management of liquidity risk; and
- (d) a contingency funding plan that forecasts funding needs and funding sources under a stressed scenario and should:
 - (i) represent management's best estimate of balance sheet changes that may result from a liquidity or credit event;
 - (ii) identify, quantify, establish, and rank all sources of funding by preference for the various scenarios including asset side funding; liability side funding and off-balance sheet funding; and
 - (iii) ensure that administrative policies and procedures are consistent with the Board's guidance and risk tolerances.

(2) The Board shall take appropriate action to ensure adequate sources of liquidity in relation to the Bank's needs. Monthly reports shall set forth liquidity requirements and sources and establish a contingency plan.

(3) The Board shall submit a copy of the revised program required by this Article to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection.

(4) After the OCC has advised the Bank that it does not take supervisory objection to the revised program required by this Article, the Board shall immediately implement, and shall thereafter ensure adherence to, the terms of the program.

Article XIV

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.

/s/

5/19/08

Karen M. Boehler
Assistant Deputy Comptroller
Denver Field Office

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/

5/19/08

William H. Balhiser

Date

/S/

5/20/08

Lyon F. Greenlee

Date

/S/

5/19/08

Thomas J. Kellough

Date

/S/

5/19/08

Ronald E. Oreskovich

Date

/S/

5/20/08

David C. Reynolds

Date

/S/

5/19/08

Daniel L. Tanner

Date