

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

In the Matter of:)
Union Bank, N.A.)
Gilbert, Arizona)

CONSENT ORDER

The Comptroller of the Currency of the United States of America (“Comptroller”), through his National Bank Examiner, has supervisory authority over Union Bank, N.A., Gilbert, Arizona (“Bank”).

The Bank, by and through its duly elected and acting Board of Directors (“Board”), has executed a “Stipulation and Consent to the Issuance of a Consent Order,” dated August 14, 2008, that is accepted by the Comptroller. By this Stipulation and Consent, which is incorporated by reference, the Bank has consented to the issuance of this Consent Order (“Order”) by the Comptroller.

Pursuant to the authority vested in it by the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818, the Comptroller hereby orders that:

ARTICLE I

COMPLIANCE COMMITTEE

(1) Within ten (10) days of the date of this Order, the Board shall appoint a Compliance Committee of at least three (3) directors, of which no more than one (1) shall be an employee or controlling shareholder 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. The Compliance Committee shall be responsible for monitoring and coordinating the Bank's adherence to the provisions of this Order.

(2) The Compliance Committee shall meet at least monthly.

(3) Within thirty (30) days of the date of this Order and monthly 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 Order;

(b) actions taken to comply with each Article of this Order; 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.

(5) Within sixty (60) days of the date of this Order, the Board shall add two additional outside directors. Such directors may not be employees of the Bank, controlling shareholders of the Bank or any of its affiliates (as the term "affiliate" is defined in 12 U.S.C. § 371c(b)(1)), or family members of any controlling shareholder or Bank employee.

(6) Within ten (10) days of the appointment of an outside director as required by Paragraph (5), the Board shall appoint *at least* one such director to serve on the Compliance Committee for an eventual total membership of *at least* four (4) directors, of which a majority shall be other than employees or controlling shareholders of the Bank. 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.

(7) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the provisions of this Agreement.

ARTICLE II

CONCENTRATIONS OF CREDIT

(1) Within sixty (60) days of the date of this Order, the Board shall develop and submit to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection, a written asset diversification program. The program shall include, but not necessarily be limited to, the following:

- (a) risk limits based on consideration of factors such as loan type, loan purpose, loan collateral, geography, market conditions, and any other meaningful factor;
- (b) summary reports for inclusion in Board and management reports, of existing concentrations compared with risk tolerance limits established pursuant to paragraph (1)(a) of this Article;
- (c) policies and procedures to control and monitor concentrations of credit;
and
- (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 of credit is as defined in the “Loan Portfolio Management” booklet of the Comptroller's Handbook.

(3) Upon receiving a determination of no supervisory objection from the Assistant Deputy Comptroller, the Bank shall immediately implement and thereafter ensure the Bank's adherence to the program.

ARTICLE III

APPOINTMENT OF PERMANENT SENIOR CREDIT OFFICER AND STAFFING PLAN

(1) Within thirty (30) days from the effective date of this Order, the Board shall identify a capable and permanent candidate for Senior Credit Officer of the Bank, and submit the information required by paragraph (2) of this Article. The candidate shall be employed and vested with sufficient executive authority to fulfill the duties and responsibilities of the position and ensure the safe and sound operation of the Bank, following review and written no objection by the Assistant Deputy Comptroller, as provided in this Article.

(2) Prior to the employment of any individual as Senior Credit Officer, 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 Corporate 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 requirement to submit information and the no objection provisions of this Article are based on the authority of 12 U.S.C. § 1818(b) and do not require the Comptroller to complete his review and act on any such information or authority within ninety (90) days.

(4) Within sixty (60) days of the date of this Order the Board shall develop a staffing plan for the Bank's credit function that is consistent with the requirements of this Order and safe and sound banking practices. At a minimum, the plan will consist of the following:

- (a) identification of the skills and expertise needed to administer the Bank's credit function in a safe and sound manner;
- (b) identification of the skills and expertise of the Bank's current staff in all credit functional areas; and
- (c) comparison of the current staff's skills and expertise identified in (4) (b) of this Article to the skills and expertise identified in (4)(a) of this Article as necessary to develop, market, and administer the products that will be utilized in accomplishing the Bank's goals and objectives.

(5) Within (15) days of the development of the staffing plan, the Board will implement the plan and direct any changes necessary to provide the Bank with a staff that possesses the skills and expertise identified in (4)(a) of this Article. Thereafter the Board will ensure that the Bank adheres to the staffing plan.

(6) Upon completion of the actions required by (4) and (5), the Board will provide a copy of its staffing plan to the Assistant Deputy Comptroller for review.

ARTICLE IV

CREDIT RISK

(1) Within sixty (60) days of the date of this Order, the Board shall develop, implement, and thereafter ensure Bank adherence to a written program to reduce the high level of credit risk in the Bank. The program shall include, but not be limited to:

- (a) procedures to strengthen credit administration, particularly in the Commercial Real Estate (CRE) portfolio, to include, at a minimum:
- (i) borrower/guarantor global cash flow analysis;
 - (ii) individual loan stress testing;
 - (iii) loan covenant requirements and monitoring; and
 - (iv) an analysis of whether an updated appraisal is necessary to obtain a proper valuation of the collateral.

(2) At least monthly, the Board shall prepare a written assessment of the Bank's credit risk, which shall evaluate the Bank's progress under the aforementioned program. The Board shall submit a copy of this assessment to the Assistant Deputy Comptroller.

ARTICLE V

CRITICIZED ASSETS

(1) The Bank 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) Within thirty (30) days, 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 credit information, including cash flow analysis where loans are to be repaid from operations; 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 \$250,000 shall be forwarded to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection.

(4) The Board shall conduct a review, on at least a monthly basis, to determine:

- (a) the status of each criticized asset or criticized portion thereof that equals or exceeds \$250,000;
- (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.

(5) A copy of each review shall be forwarded to the Assistant Deputy Comptroller on a monthly basis.

(6) 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 or OCC correspondence, 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 two hundred and fifty thousand dollars (\$250,000), only if each of the following conditions are met:

- (a) the Board or its 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 its designated committee that must include at least one external director) approves the credit extension and records, in writing, and documents the reasons 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.

(7) A copy of the approval of the Board or its designated committee shall be maintained in the credit file of the borrower.

ARTICLE VI

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 VII

EXTERNAL LOAN REVIEW

(1) Within sixty (60) days of the date of this Order, the Board shall employ a qualified consultant to perform an ongoing asset quality review of the Bank. The consultant shall be utilized until such time as an ongoing internal asset quality review system is developed by the Board, implemented, and demonstrated to be effective. The external loan review system shall provide for a written report to be filed with the Board after each review and shall use a loan and lease grading system consistent with the guidelines set forth in Rating Credit Risk, A-RCR, of the *Comptroller's Handbook*. Such reports 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. The proposed consultant may not be the same consultant who has performed loan review work for the Bank in either of the last two years.

(3) Before terminating the consultant's asset quality review services, the Board shall both certify the effectiveness of the internal asset quality review system, and receive a prior written determination of no supervisory objection from the Assistant Deputy Comptroller.

ARTICLE VIII

ALLOWANCE FOR LOAN AND LEASE LOSSES

(1) Within sixty (60) days, the Board shall adopt, implement, and thereafter ensure adherence to written policies and procedures for maintaining an adequate Allowance for Loan and Lease Losses (“ALLL”) in accordance with generally accepted accounting principles. The ALLL policies and procedures shall be consistent with the guidance set forth in the Federal Financial Institutions Examination Council’s “Interagency Policy Statement on the Allowance for Loan and Lease Losses” dated December 13, 2006 (OCC Bulletin 2006-47), and shall at a minimum include:

- (a) the development of an analysis to include FAS 5 pools, and FAS 114 impairment calculations consistent with GAAP and regulatory guidance.

(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 Consolidated Reports of Condition and Income, 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.

(3) A copy of the Board's program shall be submitted 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 program.

ARTICLE IX

LIQUIDITY AND

DEPENDENCE ON WHOLESALE OR CREDIT SENSITIVE LIABILITIES

- (1) Within sixty (60) days of the date of this Agreement, the Board shall take the necessary steps to ensure liquidity risk is controlled, to include at a minimum:
- (a) enhancements to the asset/liability management policy that incorporate forward-looking risk measurements and liability concentration limits such as limits on the amount of funds that may be sourced from any individual customer or groups of customers, or liability concentration limits by instrument;
 - (b) a sources and uses of funds report to assist with monitoring the funds flow in the Bank; and
 - (c) a revised 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) provide for assumptions based on the possible cumulative reductions in the primary liquidity sources;
 - (iii) include assumptions specifically providing for the impact a rate reduction in the Bank's Internet CD Program would have on the Bank's funding sources;
 - (iv) include an assumption that Bank's current funding sources may restrict borrowing capacity;

- (v) 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;
- (vi) outline the specific steps the Bank will take to reduce its reliance on wholesale or credit sensitive funding sources; and
- (vii) ensure that administrative policies and procedures are consistent with the Board's guidance and risk tolerances.

(2) The Board shall review the Bank's liquidity on a monthly basis. Such reviews shall consider, at a minimum:

- (a) a maturity schedule of certificates of deposit, including large uninsured deposits;
- (b) the amount and type of loan commitments and standby letters of credit;
- (c) an analysis of the continuing availability and volatility of present funding sources;
- (d) an analysis of the impact of decreased cash flow from the Bank's loan portfolio resulting from delinquent and non-performing loans;
- (e) an analysis of the impact of decreased cash flow from the sale of loans or loan participations; and
- (f) geographic disbursement of and risk from brokered deposits.

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

ARTICLE X

CAPITAL PLAN AND HIGHER MINIMUMS

- (1) By no later than September 30, 2008, the Bank shall achieve and thereafter maintain the following capital levels (as defined in 12 C.F.R. Part 3):
 - (a) Tier 1 capital at least equal to twelve percent (12%) of risk-weighted assets;
 - (b) Tier 1 capital at least equal to nine percent (9%) of adjusted total assets.
- (2) The requirement in this Order 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 ninety (90) days of the date of this Order, the Board shall develop, implement, and thereafter ensure Bank adherence to a three year capital plan (“capital plan”).

The capital plan shall include:

 - (a) specific plans for the maintenance of adequate capital that may in no event be less than the requirements of paragraph (1);
 - (b) projections for growth and capital requirements based upon a detailed analysis of the Bank's assets, liabilities, earnings, fixed assets, contemplated branching activities, and off-balance sheet activities;
 - (c) projections of 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 (d) above not be available; and
- (f) a dividend policy that permits the declaration of a dividend only:
 - (i) when the Bank is in compliance with its approved capital plan;
 - (ii) when the Bank is in compliance with 12 U.S.C. §§ 56 and 60; and
 - (iii) with the prior written determination of no supervisory objection by the Assistant Deputy Comptroller. Upon receiving a determination of no supervisory objection, the Bank shall implement and adhere to the dividend policy.

(4) Upon completion, the Bank's capital plan 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 plan. The Board shall review and update the Bank's capital plan on an annual basis, or more frequently if necessary. Copies of the reviews and updates shall be submitted to the Assistant Deputy Comptroller.

ARTICLE XI

MANAGEMENT FEES TO INDIVIDUAL

(1) Effective immediately, prior to the payment of any salary, consulting fee, expense reimbursement or other type of compensation to a principal shareholder, director (other than the Bank's President) or related interest of such as defined in 12 C.F.R. Part 215 ("Individual"), the Board shall, at a minimum, certify in writing that such remuneration:

- (a) is reasonable;

- (b) has a direct relationship to, and is based solely upon, the fair value of goods and services received by the Bank; and
- (c) compensates the Individual only for providing goods and services which meet the legitimate needs of the Bank.

(2) In addition to the requirements of the preceding paragraph of this Article, the Board shall review and maintain:

- (a) written documentation of all services rendered by the Individual;
- (b) records indicating the day(s) and time periods during which the Individual's services were performed;
- (c) expense vouchers and receipts for all reimbursable expenses; and
- (d) an analysis of the services rendered by the Individual to ensure that the Bank has received the full benefit to which it is entitled.

(3) All documentation supporting the payment of any salary, consulting fee, expense reimbursement or other type of compensation to an Individual shall be preserved in the Bank.

ARTICLE XII

NEW PRODUCTS OR SERVICES

(1) Prior to the Bank's involvement in any new products or services the Board shall prepare a written analysis of said product or service. The analysis shall, at a minimum, include the following:

- (a) an assessment of the risks and benefits of the product or service to the Bank;

- (b) an explanation of how the product or service is consistent with the Bank's strategic plan;
- (c) an evaluation of the adequacy of the Bank's organizational structure, staffing, MIS, internal controls and written policies and procedures to identify, measure, monitor, and control the risks associated with the product or service; and
- (d) a profitability analysis, including growth projections and interest rate risk.

(2) Prior to the Bank's involvement in the new product or service, a copy of the analysis shall be submitted to the Assistant Deputy Comptroller for a prior determination of no supervisory objection.

ARTICLE XIII

SELL, MERGE OR LIQUIDATE

(1) If the OCC determines in its sole judgment, that the Bank has failed to comply with the requirements of Articles IX or X, then within thirty (30) days of receiving written notice from the OCC of such fact, the Bank shall develop and shall submit to the OCC for its review and prior determination of no supervisory objection, a Disposition Plan to either: (i) sell or merge the Bank, or (ii) liquidate the Bank in conformance with 12 U.S.C. § 181. The Disposition Plan shall provide the details and specific dates for the completion of the sale, merger or liquidation of the Bank and shall be designed to avoid any loss or cost to the Bank Insurance Fund of the Federal Deposit Insurance Corporation and be in conformance with the Comptroller's Corporate Manual for Termination of National Bank Status.

(2) After the OCC has advised the Bank that it does not take supervisory objection to the Disposition Plan, the Board shall immediately implement, and shall thereafter ensure adherence to, the terms of the Disposition Plan. Failure to submit a timely, acceptable Disposition Plan may be deemed a violation of this Order, in the exercise of the OCC's sole discretion.

ARTICLE XIV

CLOSING

(1) Although the Board is by this Order required to submit certain proposed actions and programs for the review or prior written determination of no supervisory objection of the Assistant Deputy Comptroller, 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 it by the several laws of the United States of America to undertake any action affecting the Bank, nothing in this Order shall in any way inhibit, estop, bar or otherwise prevent the Comptroller from so doing.

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

(4) The provisions of this Order are effective upon issuance of this Order by the Comptroller, through his authorized representative whose hand appears below, and shall remain effective and enforceable, except to the extent that, and until such time as, any provisions of this Order shall have been amended, suspended, waived, or terminated in writing by the Comptroller. In each instance in this Order 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 Order;
- (b) require the timely reporting by Bank management of such actions directed by the Board to be taken under the terms of this Order;
- (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.

(4) This Order is intended to be, and shall be construed to be, a final order issued pursuant to 12 U.S.C. § 1818(b), and expressly does not form, and may not be construed to form, a contract binding on the Comptroller or the United States.

(5) The terms of this Order, 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.

IT IS SO ORDERED, this 14th day of August, 2008.

/s/

Richard F. Schobert
Assistant Deputy Comptroller
Arizona & New Mexico Filed Office

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

In the Matter of:)
Union Bank, N.A.)
Gilbert, Arizona)

**STIPULATION AND CONSENT TO THE ISSUANCE
OF A CONSENT ORDER**

The Comptroller of the Currency of the United States of America (“Comptroller”) intends to initiate cease and desist proceedings against Union Bank, N.A., Gilbert, Arizona (“Bank”) pursuant to 12 U.S.C. § 1818(b) through the issuance of a Notice of Charges dated [Date] for unsafe and unsound banking practices relating to significant concentrations in commercial real estate, poor asset quality, insufficient capital levels, and over reliance on wholesale funding sources. The Bank, in the interest of compliance and cooperation, consents to the issuance of a Consent Order, dated August 14, 2008 (“Order”);

In consideration of the above premises, the Comptroller, through his authorized representative, and the Bank, through its duly elected and acting Board of Directors, hereby stipulate and agree to the following:

ARTICLE I

Jurisdiction

(1) The Bank is a national banking association chartered and examined by the Comptroller pursuant to the National Bank Act of 1864, as amended, 12 U.S.C. § 1 *et seq.*

(2) The Comptroller is “the appropriate Federal banking agency” regarding the Bank pursuant to 12 U.S.C. §§ 1813(q) and 1818(b).

(3) The Bank is an “insured depository institution” within the meaning of 12 U.S.C. § 1818(b)(1).

(4) You are reminded that the Bank has been designated as in “troubled condition,” as set forth in 12 C.F.R. § 5.51(c)(6). 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.

ARTICLE II

Agreement

(1) The Bank, without admitting or denying any wrongdoing, hereby consents and agrees to the issuance of the Order by the Comptroller.

(2) The Bank further agrees that said Order shall be deemed an “order issued with the consent of the depository institution” as defined in 12 U.S.C. § 1818(h)(2), and consents and agrees that said Order shall become effective upon its issuance and shall be fully enforceable by the Comptroller under the provisions of 12 U.S.C. § 1818(i). 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(i), 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.

(3) The Bank also expressly acknowledges that no officer or employee of the Comptroller 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.

ARTICLE III

Waivers

- (1) The Bank, by signing this Stipulation and Consent, hereby waives:
 - (a) the issuance of a Notice of Charges pursuant to 12 U.S.C. § 1818(b);
 - (b) any and all procedural rights available in connection with the issuance of the Order;
 - (c) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(i), 12 C.F.R. Part 19
 - (d) all rights to seek any type of administrative or judicial review of the Order; and
 - (e) any and all rights to challenge or contest the validity of the Order.

ARTICLE IV

Other Action

(1) The Bank agrees that the provisions of this Stipulation and Consent shall not inhibit, estop, bar, or otherwise prevent the Comptroller from taking any other action affecting the Bank if, at any time, it deems it appropriate to do so to fulfill the responsibilities placed upon it by the several laws of the United States of America.

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

/s/

Richard F. Schobert
Assistant Deputy Comptroller
Arizona & New Mexico Filed Office

August 14, 2008

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/

Kyle Curtis

8/14/08

Date

/s/

Don Dunlap

8/14/08

Date

/s/

Shellie Dunlap

8/14/08

Date

/s/

James Idsardi

8/14/08

Date

/s/

Thom Vehon

8/14/08

Date
