

AGREEMENT BY AND BETWEEN  
COMMUNITY STATE BANK, N.A.  
ANKENY, IOWA  
and the  
OFFICE OF THE COMPTROLLER OF THE CURRENCY

On April 1, 2003, the Community State Bank, Ankeny, Iowa (“Bank”) converted from a state to a national charter. The Office of the Comptroller of the Currency (OCC) approved the Bank’s charter conversion with the Bank’s insurance agency, now known as CSB Insurance Group, becoming 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).

The consequences of the Bank’s noncompliance with the qualification requirements to control or hold an interest in a financial subsidiary are set forth at 12 U.S.C. § 24a(e) and 12 C.F.R. § 5.39(j).

This agreement 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).

**ARTICLE I**

(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 “written agreement” within the meaning of 12 U.S.C. § 1818(u)(1)(A). 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  
Omaha Field Office  
13710 FNB Parkway, Suite 110  
Omaha, Nebraska 68154-5298

## **ARTICLE II**

(1) By October 19, 2009 (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).

(2) By October 19, 2009 (or such additional time as the OCC may permit), the Board shall implement and ensure adherence to each corrective action addressed in the agreement entered into between the Bank and the OCC effective July 30, 2008.

## **ARTICLE III**

(1) In the event that the OCC has not assigned satisfactory CAMELS composite and management component ratings to the Bank by October 19, 2009, the OCC may order the Bank to divest ownership or control of the Financial Subsidiary.

(2) 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.

(3) 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.

(4) 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.

(5) 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.

(6) 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: (i) 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; (ii) require the timely reporting by Bank management of such actions directed by the Board to be taken under the terms of this Agreement; (iii) follow-up on any non-compliance with such actions in a timely and appropriate manner;

and (iv) require corrective action be taken in a timely manner of any non-compliance with such actions.

(7) 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 OCC or the United States. Notwithstanding the absence of mutuality of obligation, or of consideration, or of a contract, the OCC may enforce any of the commitments or obligations herein undertaken by the Bank under its 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 OCC has any intention to enter into a contract. The Bank also expressly acknowledges that no OCC officer or employee has statutory or other authority to bind the United States, the U.S. Treasury Department, the OCC, or any other federal bank regulatory agency or entity, or any officer or employee of any of those entities to a contract affecting the OCC’s exercise of its supervisory responsibilities. The terms of this Agreement, including this paragraph, are not subject to amendment or modification by any extraneous expression, prior agreements or arrangements, or negotiations between the parties, whether oral or written.

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

/s/  
Troy L. Thornton  
Assistant Deputy Comptroller  
Omaha Field Office

5/19/2009  
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.

<u>                /s/                </u> Alan Brazelton	<u>                5/19/2009                </u> Date
<u>                /s/                </u> Mark E. Degner	<u>                5/19/2009                </u> Date
<u>                /s/                </u> Ronald M Nagel	<u>                5/19/2009                </u> Date
<u>                /s/                </u> David P. Taylor	<u>                5/19/2009                </u> Date
<u>                /s/                </u> John R. Van Diest	<u>                5/19/2009                </u> Date
<u>                /s/                </u> Robert A. Van Diest	<u>                5/19/2009                </u> Date