

AGREEMENT BY AND BETWEEN
DuPage National Bank
West Chicago, Illinois
and
The Comptroller of the Currency

DuPage National Bank, West Chicago, Illinois (“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 inadequate risk management systems at 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) Pursuant to 12 C.F.R. § 5.51(c)(6)(ii), the Bank shall be subject to the requirements of 12 C.F.R. § 5.51, unless otherwise informed in writing by the Comptroller. Pursuant to 12 C.F.R. § 5.3(g)(4), the Bank shall not be “eligible” unless otherwise informed in writing by the Comptroller. 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
Chicago South Field Office
2001 Butterfield Road, Suite 400
Downers Grove, Illinois 60515

ARTICLE II

CAPITAL PLAN AND HIGHER MINIMUMS

(1) The Bank shall achieve and thereafter maintain the following capital levels (as defined in 12 C.F.R. Part 3):

- (a) by June 1, 2009, Tier 1 Capital at least equal to eight and one half percent (8.5%) of adjusted total assets; and
- (b) by June 1, 2009, Total Risk Based Capital of eleven percent (11%) of risk-weighted assets.

(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) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the minimum capital requirements imposed pursuant to this Article.

ARTICLE III

MANAGEMENT VACANCIES AND PERFORMANCE

(1) Within sixty (60) days of the date of this Agreement, the Board shall ensure that the Bank has competent management in place on a permanent, full-time basis in its President, Chief Financial Officer, and Senior Loan Officer positions to carry out the Board's policies, ensure compliance with this Agreement and applicable laws, rules and regulations, and manage the day-to-day operations of the Bank in a safe and sound manner.

(2) For incumbent and incoming officers in the positions mentioned in Paragraph (1) of this Article, a committee made up of outside, independent, directors, or external counsel for that committee, shall within 30 days assess each of these officers' experience, other qualifications and performance compared to the position's description, duties and responsibilities.

(3) If that committee of outside directors determines that an officer will continue in or be appointed to a position mentioned in Paragraph (1) of this Article but that the officer's skills need improvement, that committee shall within forty-five (45) days develop and implement a written program, with specific time frames, to improve the officer's skills. At a minimum the written program shall include:

- (a) an education program designed to ensure that the officer has the skills necessary to supervise effectively;
- (b) a program to monitor the officer's completion of the developmental program;
and
- (c) a program to evaluate the officer's performance to ensure the Board's compliance with paragraph (1) of this Article.

Upon completion, but no later than July 1, 2009, a copy of the written program shall be provided to the Assistant Deputy Comptroller.

(4) For each incumbent and new executive officer position and any other salaried director position, as well as all other management positions, the Bank shall have:

- (a) a written position description;
- (b) a written list of objectives by which the officer's, manager's, or director's effectiveness will be measured; and
- (c) a performance appraisal program for evaluating performance according to the position's description and responsibilities and for measuring performance against the Bank's goals and objectives.

The Bank shall prepare the above position descriptions, objectives, and performance appraisal program and provide a copy of these to the Assistant Deputy Comptroller no later than June 1, 2009.

(5) If a position mentioned in Paragraph (1) of this Article is vacant now or during the time the Bank is subject to this Agreement, including if the Board realigns an existing officer's responsibilities and a position mentioned in Paragraph (1) of this Article becomes vacant, the Board shall within 30 days of such vacancy appoint a capable person to the vacant position who shall be vested with sufficient executive authority to ensure the Bank's compliance with this Agreement and the safe and sound operation of functions within the scope of that position's responsibility.

(6) Prior to the appointment of any individual to an executive officer position, the Board shall submit to the Assistant Deputy Comptroller the following information:

- (a) the information required in 12 C.F.R. Part 5.51(e);
- (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.

(7) The Assistant Deputy Comptroller shall have the power of veto over the employment of the proposed executive officer. However, the failure to exercise such veto power shall not constitute an approval or endorsement of the proposed officer.

The requirement to submit information and the prior veto provisions of this Article are based on the authority of 12 U.S.C. § 1818(b)(6)(E) and do not require the Assistant Deputy Comptroller to complete her review and act on any such information or authority within ninety (90) days.

ARTICLE IV

CRITICIZED ASSET PLANS

(1) The Bank shall take immediate action to protect its interest in those assets criticized in the Report of Examination (ROE), in any subsequent ROE, by internal or external loan review, or in any list provided to management by the National Bank Examiners during any examination.

(2) Within sixty (60) days of the date of this Agreement, 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 ROE, 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 and timing of the expected sources of repayment,
- (b) documentation of the current fair 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 specific actions the Bank is taking 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 two hundred and fifty thousand dollars (\$250,000) shall be forwarded to the Assistant Deputy Comptroller.

(4) The Board shall conduct a review, on a quarterly basis, to determine:

- (a) the status of each criticized asset or criticized portion thereof that equals or exceeds two hundred and fifty thousand dollars (\$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 provided to the Assistant Deputy Comptroller on a quarterly basis.
- (6) 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 UNDERWRITING AND ADMINISTRATION

- (1) Within sixty (60) days of the date of this Agreement, the Board shall develop, implement, and thereafter ensure Bank adherence to a written program to improve the Bank's credit underwriting and administration process. The program shall include, at a minimum:
- (a) guidelines for evaluating and monitoring a borrower's capacity to meet a realistic repayment program from liquidity and cash flow;
 - (b) standards for minimally acceptable financial information on borrowers and guarantors;
 - (c) guidelines for the identification of and accounting treatment for nonaccrual loans that are consistent with the accounting requirements contained in the Call Report Instructions; and
 - (d) prohibition of the extension of amortization periods to improve a borrower's debt service coverage ratios or to match competition, unless supported by prudent underwriting.

(2) Upon adoption, a copy of the program shall be forwarded to the Assistant Deputy Comptroller for review and determination of no supervisory objection.

(3) Within ninety (90) days of the date of this Agreement, the Board shall ensure that the Bank obtains current and satisfactory credit information on all loans lacking such information, including those listed in the ROE, in any subsequent ROE, in any internal or external loan review, or in any listings of loans lacking such information provided to management by the National Bank Examiners during any examination.

(4) Within ninety (90) days of the date of this Agreement, the Board shall ensure that the Bank maintains proper collateral documentation on all loans and corrects each collateral exception listed in the ROE, in any subsequent ROE, in any internal or external loan review, or in any listings of loans lacking such information provided to management by the National Bank Examiners during any examination.

(5) Effective immediately, the Bank may grant, extend, renew, alter or restructure any loan or other extension of credit only after:

- (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 and analyzing current and satisfactory credit information, including cash flow analysis, where loans are to be repaid from operations;
- (e) documenting, with adequate supporting material, the value of collateral and properly perfecting the Bank's lien on it where applicable;

(6) Failure to obtain the information in (5)(d) and (5)(e) shall require a majority of the full Board (or a delegated committee thereof) to certify in writing the specific reasons why obtaining and analyzing the information in (5)(d) and (5)(e) would be detrimental to the best interests of the

Bank. A copy of the Board certification shall be maintained in the credit file of the affected borrower(s). The certification will be reviewed by this Office in subsequent examinations of the Bank.

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

ARTICLE VI

ALLOWANCE FOR LOAN AND LEASE LOSSES

(1) Within thirty (30) 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” (OCC Bulletin 2006-47), dated December 13, 2006, and at a minimum shall include:

- (a) consideration of the Bank’s loan loss experience, concentrations of credit in the Bank, and present and prospective economic conditions;
- (b) procedures detailing the selection process for loans considered impaired and procedures detailing how the amount of impairment for those loans will be measured, consistent with FASB Statement of Financial Accounting Standards Number 114, Accounting by Creditors for Impairment of a Loan;
- (c) procedures for segmenting the loan portfolio and estimating loss on groups of loans, consistent with FASB Statement of Financial Accounting Standards Number 5, Accounting for Contingencies; and
- (d) procedures for validating the ALLL methodology.

(2) The revised policies and procedures shall address specific actions needed to improve the methodology outlined in the “as of” September 30, 2008, Report of Examination and in any subsequent Report of Examination.

(3) The revised policies and procedures shall provide for a review and approval 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.

(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 and shall ensure the accuracy of the Consolidated Reports of Condition and Income in accordance with 12 USC 161.

ARTICLE VII

INTERNAL AUDIT

(1) Within sixty (60) days of the date of this Agreement , the Board shall adopt, implement, and thereafter ensure Bank adherence to an independent, internal audit program sufficient to:

- (a) detect irregularities and weak practices in the Bank's operations;
- (b) determine the Bank's level of compliance with all applicable laws, rules and regulations;
- (c) assess and report the effectiveness of policies, procedures, controls, and management oversight relating to accounting and financial reporting;
- (d) evaluate the Bank's adherence to established policies and procedures, with particular emphasis directed to the Bank's adherence to its loan policies

concerning underwriting standards and problem loan identification and classification;

- (e) adequately cover all operational areas of the Bank; and
- (f) establish an annual audit plan using a risk based approach sufficient to achieve these objectives.

(2) As part of this audit program, the Board shall evaluate the audit reports of any party providing services to the Bank, and shall assess the impact on the Bank of any audit deficiencies cited in such reports.

(3) The Board shall ensure that the audit program is independent. The persons responsible for implementing the internal audit program described above shall report directly to the Board, which shall have the sole power to direct their activities. All reports prepared by the audit staff shall be filed directly with the Board and not through any intervening party.

(4) All audit reports shall be in writing. The Board shall ensure that immediate actions are undertaken to remedy deficiencies cited in audit reports, and that auditors maintain a written record describing those actions.

(5) The audit staff shall have access to any records necessary for the proper conduct of its activities. National bank examiners shall have access to all reports and work papers of the audit staff and any other parties working on its behalf.

(6) Upon adoption, a copy of the internal audit program shall be provided 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 VIII

REAL ESTATE VALUATION PROGRAM

(1) Within sixty (60) days of the date of this Agreement, the Board shall adopt, implement, and thereafter ensure adherence to a written real estate valuation program designed to ensure that the Bank assesses and maintains current information on the adequacy of collateral securing its commercial real estate loans. The program shall, at a minimum:

- (a) provide for the independence of the persons ordering, performing, and reviewing appraisals;
- (b) establish selection criteria and procedures to evaluate and monitor the ongoing performance of persons who perform appraisals;
- (c) ensure that appraisals contain sufficient information to support the appraised value;
- (d) maintain criteria for content and appropriate use of real estate evaluations;
- (e) provide for the receipt and review of the appraisal or evaluation report in a timely manner to support credit decisions;
- (f) develop criteria to assess the validity of existing appraisals or evaluations to support subsequent transactions;
- (g) implement internal controls that promote compliance with 12 C.F.R. § 34, Real Estate Lending and Appraisals, , the Interagency Appraisal and Evaluation Guidelines, and industry appraisal standards;
- (h) ensure that policies clearly outline situations where appraisals should be updated, such as when a credit deteriorates, there are materially negative market trends, or stress testing indicates concentrations are increasingly susceptible to market variances, etc; and

(i) establish criteria for obtaining appraisals or evaluations for transactions that are not otherwise covered by regulatory requirements.

(2) Upon adoption, a copy of the program shall be provided to the Assistant Deputy Comptroller.

(3) 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 IX

BANK SECRECY ACT INTERNAL CONTROLS, RISK ASSESSMENT, AND TRAINING

(1) Within sixty (60) days of the date of this Agreement, the Board shall develop, implement, and thereafter ensure Bank adherence to a written program of policies and procedures to provide for compliance with the Bank Secrecy Act (“BSA”), as amended (31 U.S.C. §§ 5311 et seq.), the regulations promulgated thereunder at 31 C.F.R. Part 103, as amended, 12 C.F.R. Part 21, Subparts B and C, the rules and regulations of the Office of Foreign Assets Control (“OFAC”), and the USA PATRIOT Act, sections 314(a) and (b) (collectively referred to as the “Bank Secrecy Act” or “BSA”), and for the appropriate identification and monitoring of transactions that pose greater than normal risk for compliance with the BSA. This program shall include the following:

- (a) formal evaluation of the knowledge of the Bank’s operational and supervisory personnel of the Bank’s policies and procedures for identifying transactions that pose greater than normal risk for compliance with the Bank Secrecy Act;
- (b) well-defined policies and procedures for investigating and resolving the Bank’s response to transactions that have been identified as posing greater than normal risk for compliance with the Bank Secrecy Act;
- (c) procedures for the opening of new accounts that provide for collecting customers’ identifying information, verifying customers’ identification,

maintaining identification records, and determining whether customers appear on any list of suspected terrorists or terrorist organizations;

- (d) adequate controls and procedures to ensure that all suspicious and large currency transactions are identified and reported;
- (e) a method for introducing new products and services that ensures that the policies and procedures governing new products and services are consistent with the Bank's program for compliance with the Bank Secrecy Act.

(2) Within sixty (60) days of the date of this Agreement, the Board shall ensure implementation of a BSA/AML Risk Assessment Process to assist in identifying the Bank's BSA/AML risk profile. The risk assessment shall be in writing and provide a comprehensive ongoing analysis of the BSA/AML risk. The BSA risk assessment process shall:

- (a) identify the specific risk categories (i.e., products, services, customers, entities, transactions, and geographic locations) unique to the Bank, and
- (b) conduct a detailed analysis of the data obtained during the risk identification phase and consider, as appropriate, the following factors relating to customer accounts:
 - (i) the purpose of the account;
 - (ii) actual or anticipated activity in the account;
 - (iii) the nature of the customer's business;
 - (iv) the customer's location; and
 - (v) types of products and services used by the customer.

(3) The Board shall ensure that the BSA Risk Assessment is shared and communicated across the Bank, Board of Directors, management, and appropriate staff. The Board shall also ensure

a procedure is implemented to reassess the Bank's BSA Risk Assessment periodically, but no later than once every eighteen months.

(4) Within sixty (60) days of the date of this Agreement, the Board shall develop, implement, and thereafter ensure Bank adherence to a comprehensive training program for all appropriate operational and supervisory personnel to ensure their awareness of their responsibility for compliance with the requirements of the OFAC and the Bank Secrecy Act, including the reporting requirements associated with SARs pursuant to 12 C.F.R. Part 21, Subpart B, regardless of the size of the relationship or type of customer involved.

(5) This comprehensive training program shall include strategies for mandatory attendance, the frequency of training, procedures and timing for updating training programs and materials, and the method for delivering training.

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

ARTICLE X

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

Mary Beth Farrell
Assistant Deputy Comptroller
Chicago South Field Office

5-7-2009

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.

Signed

5-7-09

Thomas J. McCracken, Chairman of the Board

Date

Signed

5-7-09

Kevin McCracken, Interim President

Date

Signed

5-7-09

Timothy Hangsterfer, Interim Executive Vice President

Date

Signed

5-7-09

Joseph DeLaVan, Board Secretary

Date

Signed

5-7-09

Richard A. Walsh

Date

Signed

5-7-09

Anne E. Walsh

Date

Signed

5-7-09

Patrick Walsh

Date

Signed

5-7-09

JoAnn Gallagher

Date

Signed

5-7-09

Jacqueline M. Cibula

Date

Signed

5-7-09

Caroline K. Palmer

Date

Signed

5-7-09

Martha F. Wells

Date