

AGREEMENT BY AND BETWEEN  
Clear Creek National Bank, Georgetown, Colorado  
and  
The Comptroller of the Currency

Clear Creek National Bank, Georgetown, 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 administration, and capital and strategic planning.

In consideration of the above premises, it is agreed, between the Bank, by and through its duly elected and acting Board of Directors (“Board”), and the Comptroller, through his authorized representative, that the Bank shall operate at all times in compliance with the articles of this Agreement.

Article I

JURISDICTION

(1) This Agreement shall be construed to be a “written agreement entered into with the agency” within the meaning of 12 U.S.C. § 1818(b)(1).

(2) This Agreement shall be construed to be a “written agreement between such depository institution and such agency” within the meaning of 12 U.S.C. § 1818(e)(1) and 12 U.S.C. § 1818(i)(2).

(3) This Agreement shall be construed to be a “formal written agreement” within the meaning of 12 C.F.R. § 5.51(c)(6)(ii). See 12 U.S.C. § 1831i.

(4) This Agreement shall be construed to be a “written agreement” within the meaning of 12 U.S.C. § 1818(u)(1)(A).

(5) This Agreement shall not be construed to be a “written agreement, order, or capital directive” within the meaning of 12 C.F.R. § 6.4.

## Article II

### COMPLIANCE COMMITTEE

(1) Within five (5) days of the date of this Agreement, the Board shall appoint a Compliance Committee of at least three (3) members and, of which no more than two (2) shall be employees 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 Agreement.

(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 December 31, 2009, 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 provide a summary report of the progress reached in attaining compliance with each Article of this Agreement to the Assistant Deputy Comptroller within fifteen (15) days of the end of each calendar quarter.

(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

(6) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the policies, procedures and programs required by this Agreement.

### Article III

#### MANAGEMENT

(1) Within ten (10) days of this Agreement, the Board shall employ a qualified, independent management consultant (“Consultant”) to perform a management study. Prior to the appointment or employment of any individual as Consultant or entering into any contract with any 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. After the OCC has advised the Bank that it does not take supervisory objection to the Consultant or the scope of the review, the Board shall immediately engage the Consultant pursuant to the proposed terms of the engagement.

(2) Within ninety (90) days of this Agreement, the Consultant shall complete a study of current management and staffing presently being provided to the Bank. The findings and

recommendations shall be set forth in a written report (the “Management Study”). At a minimum, the Management Study shall contain:

- (a) the identification of present and future management and staffing requirements of the Bank;
- (b) an evaluation of the knowledge, skills, and abilities of each officer and a determination of whether each of these individuals possesses the experience and other qualifications required to perform present and anticipated duties of each respective position;
- (c) recommendations as to whether management or staffing changes should be made, including the need for additions to, or deletions from, the management team;
- (d) a recommended training program to address identified weaknesses in the skills and abilities of the management and the staff;
- (e) recommendations to correct or eliminate any other deficiencies in the supervision or organizational structure of the management of the Bank.

(3) Copies of the Management Study shall be forwarded to the Assistant Deputy Comptroller within five (5) days of completion. The Assistant Deputy Comptroller shall retain the right to determine whether the Management Study complies with the terms of this Agreement.

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

(5) Within thirty (30) days of the completion of 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) By the next regularly scheduled Board meeting subsequent to the receipt of the OCC's non-objection to the Management Plan (and in no event more than thirty days from such non-objection), the Board shall adopt, implement and thereafter adhere to the Management Plan.

#### Article IV

##### CAPITAL AND STRATEGIC PLAN

(1) Effective immediately, the Bank shall only declare dividends when:

- (a) the Bank is in compliance with the Bank's Three-Year Plan as described below;
- (b) the Bank is in compliance with 12 U.S.C. §§ 56 and 60; and
- (c) the Bank has received a prior written determination of no supervisory objection from the Assistant Deputy Comptroller.

(2) Within sixty (60) days of this Agreement, the Board shall develop a written 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 strategic and other requirements of this Article. A copy of the Bank's Three-Year Plan shall be forwarded to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection.

(3) 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 that establishes measurable goals and objectives for both the short and long term;
- (b) identification of the major areas and means by which the Board and management will seek to improve earnings performance, that focuses in particular on items contributing to core Bank earnings and the control and reduction of non-interest expenses;
- (c) specific plans to address corporate structure and activities to maximize operational efficiencies;
- (d) specific plans for monitoring and reduction of problem assets and construction and development lending concentrations;
- (e) recognition that the Bank cannot offer or introduce new products, enter new market segments, or significantly expand any existing product unless it first develops appropriate systems, controls, and expertise to manage and control the associated risks;
- (f) limitations on the purchase of loan participations of loans originated outside the Bank's designated market;
- (g) specific plans for the maintenance of adequate capital and sufficient to be well capitalized under 12 C.F.R. Part 6 and that includes primary and secondary sources and timing to meet current and future needs;

- (h) a dividend policy that only permits the declaration of a dividend in accordance with Paragraph (1) of this Article;
- (i) 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
- (j) systems to monitor the Bank's progress in meeting the plan's goals and objectives.

(4) Upon receiving a written determination of no supervisory objection from the Assistant Deputy Comptroller, the Board shall immediately implement and thereafter ensure adherence to the Bank's Three-Year Plan.

#### 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 shall 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 and the useful life of the collateral;

- (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, including global cash flow analysis, to include all direct and indirect obligations and personal expenses;
- (e) providing an accurate risk assessment grade and proper accrual status for each credit;
- (f) obtaining an appraisal or evaluation as appropriate;
- (g) documenting, with adequate supporting material, the value of collateral and properly perfecting the Bank's lien on it where applicable; and
- (h) obtaining the written approval of the Bank's Loan Committee or Board.

(3) Within sixty (60) days of this Agreement, the Board shall develop and submit to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection, a program (including revisions to policies and procedures) designed to improve the Bank's credit risk management and administration practices. The program shall include at a minimum, provisions requiring:

- (a) actions to be taken in the event the Bank exceeds its concentration of credit limits;
- (b) the development and use of specific guidelines for when loan extensions are appropriate;
- (c) specific guidelines on when additional loan curtailment or re-margining is required;



- (d) policies and procedures designed to ensure that the Bank complies with Paragraph (2) of the Article;
- (e) policies and procedures designed to aggregate, track and eliminate exceptions to the Loan Policy, underwriting guidelines, and supervisory loan to value limits, for all loans to include, at a minimum:
  - (i) monthly Board monitoring of policy exception reports that track aggregate number and dollar amount of loans with material exceptions by type of loan and loan officer; and
  - (ii) procedures to hold employees and officers accountable for non-compliance with the Bank's loan policy and other underwriting requirements;
- (f) procedures to ensure that loans are properly monitored to include periodic receipt, analysis and documentation of sufficient financial and operating information to measure and monitor the borrower's and guarantor's financial condition and repayment ability, to include periodic (at least annually) cash flow analysis of income-producing collateral;
- (g) the establishment of criteria for obtaining updated appraisals, new appraisals, and evaluations;
- (h) the establishment and implementation of a policy requiring a meaningful documented review, independent of the lender, of all appraisals to include analysis commensurate with the type, size and complexity of the property being appraised;

- (i) procedures to ensure that the renewal, grant, purchase, assumption, or acquisition of any loan participation is underwritten and monitored in a manner that is consistent with safe and sound banking practices, the guidelines set forth in Banking Circular 181 (Revised), dated August 2, 1984, and the requirements of 12 C.F.R. Part 34, to include a sound review of any appraisal of collateral; and
- (j) written policies and procedures to ensure that each parcel of Other Real Estate Owned (“OREO”) is managed in accordance with 12 U.S.C. § 29 and 12 C.F.R. Part 34, Subpart E.

(4) Upon receiving a written determination of no supervisory objection from the Assistant Deputy Comptroller, the Board shall immediately implement and thereafter ensure adherence to the program, policies and procedures required by this Article.

(5) The Board shall take the necessary steps to ensure that current and satisfactory credit information is maintained on all loans. Within thirty (30) days of notification, the Board shall ensure that the Bank obtains any missing credit information described 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.

(6) The Board shall take the necessary steps to ensure that proper collateral documentation is maintained on all loans. Within thirty (30) days of notification, the Board shall ensure that the Bank obtains any missing collateral documentation described 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.

## Article VI

### COMMERCIAL REAL ESTATE RISK MANAGEMENT

(1) Within sixty (60) days of this Agreement, the Board shall prepare and submit for a prior written determination of no supervisory objection, a written program, including the necessary policies and procedures, 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 and the Commercial Real Estate and Construction Lending, A-CRE, of the *Comptroller's Handbook*. The written CRE program should, at a minimum, include:

- (a) monthly monitoring of concentration reports that stratify the CRE portfolio by product type, locality and other meaningful measures;
- (b) the development of CRE concentration limits stratified by type, locality, individual builder/developer and individual property, and other meaningful measures supported by written analysis;
- (c) specific plans to reduce concentrations in the event of adverse changes in CRE market conditions;
- (d) portfolio-level multi-factor stress testing and/or sensitivity analysis on homogeneous pools of loans (e.g., HELOC, undeveloped land, office space) to quantify the impact of changing economic conditions on asset quality, earnings, and capital; and

- (e) significant individual loan stress testing and/or sensitivity analysis to quantify the impact of changing economic conditions on asset quality, earnings, and capital.

(2) Upon receiving a written determination of no supervisory objection from the Assistant Deputy Comptroller, the Board shall immediately implement and thereafter ensure adherence to the program, policies and procedures required by this Article.

## Article VII

### 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 (beginning no later than December 2009) of all criticized credit relationships or Other Real Estate ("ORE") totaling fifty thousand dollars (\$50,000) or more, and that require the preparation of Problem Asset Reports ("PARs" or "PAR") that contain, at a minimum, analysis and documentation of the following:

- (a) an identification of the expected sources of repayment and an analysis of their adequacy;
- (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 current grade and 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, enact collection plans, and make appropriate downgrades or place on nonaccrual;
- (f) a determination of whether the loan is impaired and the amount of the impairment, consistent with FASB Statement of Financial Accounting Standards No. 114, Accounting by Creditors for Impairment of a Loan; and
- (g) for criticized relationships of fifty thousand dollars (\$50,000) or above that were made for the purpose of constructing or developing CRE, the PARs 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, and if applicable:
    - (A) a comparison of development costs to the budgeted amount;
    - (B) a comparison of sales activity to the original sales projections;
    - (C) amount of initial interest reserve and the amount of any subsequent additions to the reserve;

- (D) an assessment of the borrower's global cash flow;
- (E) an assessment of any guarantor's global cash flow; and
- (F) 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 of credit equal or exceed fifty thousand dollars (\$50,000), unless each of the following conditions is met:

- (a) the Board or a designated committee thereof 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 Board or a designated committee thereof approves the credit extension and documents in writing, the reasons that 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 by the extension of credit.

(4) Copies of best interest statements prepared in response to the requirements of Paragraph (3) of this Article shall be maintained in the minutes to the Board of Director meetings and in the relevant credit file(s).

## Article VIII

### CREDIT RISK RATINGS AND NONACCRUAL RECOGNITION

(1) Effective immediately, the Board shall take the necessary steps 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, monthly review of all credit relationships that equal or exceed fifty thousand dollars (\$50,000) by the loan officers to ensure that:

- (a) the Bank's loans and other assets are appropriately and timely risk rated and charged off 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*; and
- (b) the Bank's loans and other assets are timely placed on nonaccrual in accordance with the guidelines set forth in the Call Report;

(2) Within sixty (60) days of this Agreement, the Board shall prepare a written program designed to ensure that the Bank complies with Subparagraphs (a) and (b) of this Article, that contains at a minimum:

- (a) immediate and ongoing training for the lending staff with respect to the application of Subparagraphs (a) and (b) of this Article;
- (b) procedures to ensure loan officers are held accountable for failing to appropriately and timely risk rate and/or place loans on nonaccrual, including but not limited to, consideration of loan officer and staff failure to properly risk rate and/or place loans on nonaccrual in periodic performance reviews and compensation.

(3) After the Board has developed the program required by this Article, the Board shall immediately implement, and shall thereafter ensure adherence to its terms.

## Article IX

### ALLOWANCE FOR LOAN AND LEASE LOSSES

(1) By no later than January 31, 2010, the Board shall adopt, implement, and thereafter ensure adherence to written policies and procedures for maintaining an adequate Allowance for Loan and Lease Losses (“Allowance”) in accordance with Generally Accepted Accounting Principles (“GAAP”). The Allowance 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 July 20, 2001 (OCC Bulletin 2001-37), and shall at a minimum include:

- (a) procedures for determining whether a loan is impaired and measuring the amount of impairment, consistent with FASB Statement of Financial Accounting Standards No. 114, Accounting by Creditors for Impairment of a Loan;
- (b) procedures for segmenting the loan portfolio and estimating loss on groups of loans, consistent with FASB Statement of Financial Accounting Standards No. 5, Accounting for Contingencies;
- (c) procedures for validating the Allowance methodology; and
- (d) procedures to ensure that the estimation of credit losses considers the relevant qualitative and environmental factors, with particular focus on the following:
  - (i) trends in the Bank’s internal risk ratings, delinquent and nonaccrual loans;



- (ii) results of the Bank's external loan review;
- (iii) concentrations of credit in the Bank;
- (iv) present and prospective economic conditions; and
- (v) applicable experience of the Bank's lending staff.

(2) The program shall provide for a process for summarizing and documenting, for the Board's review and approval, the amount to be reported in the Call Reports for the Allowance. 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 XI

#### 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/

12/4/09

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Karen M. Boehler  
Assistant Deputy Comptroller  
Denver Field Office

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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/

12/4/09

\_\_\_\_\_  
Susan Bradley

\_\_\_\_\_  
Date

\_\_\_\_\_  
Rodney L. Brethower

\_\_\_\_\_  
Date

/s/

12/4/09

\_\_\_\_\_  
David Brewick

\_\_\_\_\_  
Date

/s/

12/4/09

\_\_\_\_\_  
Kathryn L. Isenberger

\_\_\_\_\_  
Date

\_\_\_\_\_  
Bob Smith

\_\_\_\_\_  
Date