

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

In the Matter of:)	
Union National Bank)	AA-CE-10-37
Elgin, Illinois)	

CONSENT ORDER

The Comptroller of the Currency of the United States of America (“Comptroller”), through his National Bank Examiner, has supervisory authority over Union National Bank, Elgin, Illinois (“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 April 22, 2010, 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 (“Consent 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

HIGHER MINIMUM CAPITAL RATIOS

(1) The Bank shall achieve by September 30, 2010, and thereafter maintain the following capital levels (as defined in 12 C.F.R. Part 3):

- (a) tier 1 capital at least equal to nine percent (9%) of adjusted total assets.¹

¹ Adjusted total assets is defined in 12 C.F.R. § 3.2(a) as the average total asset figure used for Call Report purposes minus end-of-quarter intangible assets.

(b) total Risk Based Capital of at least twelve percent (12%) of risk-weighted assets.

(2) Within thirty (30) days, the Board shall develop, implement, and thereafter ensure Bank adherence to a Capital Plan. The Capital Plan shall include:

(a) specific plans for the maintenance of capital that may in no event be less than the requirements of paragraph (1) of this Article;

(b) projections for capital based upon a detailed analysis of the Bank's assets, liabilities, earnings, fixed assets, and off-balance sheet assets and activities;

(c) projections of the sources and timing of additional capital and/or projections of the methods and timing of reducing assets to meet the requirements of paragraph (1) of this Article;

(d) identification of the primary source(s) from which the Bank will strengthen its capital structure to meet the requirements of paragraph (1) of this Article; and

(e) contingency plans that identify alternative source(s) from which the Bank will strengthen its capital structure should the primary source(s) under (d) above not be available.

(3) Immediately upon completion, the Capital Plan 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 immediately implement and adhere to the Capital Plan.

(4) The Board shall review and update the Capital Plan on an annual basis, or more frequently if necessary. Prior to adoption by the Board, any subsequent amendments or revisions to the Capital Plan 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 immediately implement and adhere to the Capital Plan, as amended or revised.

(5) The Bank shall not declare any dividend without the prior written determination of no supervisory objection from the Assistant Deputy Comptroller.

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

(7) The OCC determines, in its sole judgment, that the Bank has failed to meet the minimum capital levels established in paragraph (1) of this Article, has failed to submit an acceptable Capital Plan as required by paragraph (4) of this Article, or has failed to implement or adhere to a Capital Plan for which the OCC has taken no supervisory objection pursuant to paragraphs (4) or (5) of this Article, then, in the sole discretion of the Assistant Deputy Comptroller, the Bank shall, upon direction of the Assistant Deputy Comptroller, within thirty (30) days the Board shall develop and shall submit to the Assistant Deputy Comptroller for review and prior written determination of no supervisory objection a Disposition Plan, which shall detail the Board's proposal to sell or merge the Bank, or liquidate the Bank under 12 U.S.C. § 181.

(8) In the event that the Disposition Plan submitted by the Board outlines a sale or merger of the Bank, the Disposition Plan, at a minimum, shall address the steps that will be taken and the associated timeline to ensure that a definitive agreement for the sale or merger is executed not later than ninety (90) days after the receipt of the Assistant Deputy Comptroller's written determination of no supervisory objection to the Disposition Plan. If the Disposition Plan outlines a liquidation of the Bank, the Disposition Plan shall detail the actions and steps necessary to accomplish the liquidation in conformance with 12 U.S.C. §§ 181 and 182, and the dates by which each step of the liquidation shall be completed, including the date by which the Bank will terminate the national bank charter. In the event of liquidation, the Bank shall hold a shareholder vote pursuant to 12 U.S.C. § 181, and commence liquidation, within thirty (30) days of receiving the Assistant Deputy Comptroller's written determination of no supervisory objection to the Disposition Plan.

(9) After the OCC has advised the Bank in writing 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, or failure to implement and adhere to the Disposition Plan after the Board obtains a written determination of no supervisory objection from the Assistant Deputy Comptroller, may be deemed a violation of this Consent Order, in the exercise of the OCC's sole discretion.

(10) The Board shall ensure that the Bank has process, personnel and control systems to ensure implementation of and adherence to the requirements of this Article.

ARTICLE II

CONCENTRATIONS OF CREDIT

(1) Within sixty (60) days, the Board shall adopt, implement, and thereafter ensure Bank adherence to a written asset diversification program consistent with the “Loan Portfolio Management” booklet of the Comptroller's Handbook. The program shall include, but not necessarily be limited to, the following:

(a) a written analysis of the risk of the Bank's concentrations of credit, including but not limited to the Bank’s concentration of Commercial Real Estate (“CRE”) loans, to assess the inherent credit, liquidity and interest rate risk;

(b) realistic limits including a lower CRE concentration limit; and

(c) an action plan approved by the Board to reduce the risk of its CRE concentration and 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, and Commercial Real Estate loans are as defined in the Interagency Guidance on Concentrations in Commercial Real Estate Lending, Sound Risk Management Practices dated December 12, 2006.

(3) A copy of the program, or any subsequent amendments or changes to the program, shall be forwarded to the Assistant Deputy Comptroller for review and determination of no supervisory objection.

(4) Until the Board has established a limit for its concentration in Commercial Real Estate loans and has received a determination of no objection from the Assistant

Deputy Comptroller pursuant to paragraph (3) of this Article, the Bank shall not originate any new Commercial Real Estate loans. This restriction shall not apply to:

(a) the renewal, extension, or restructuring of any loan, provided no new funds are advanced, or

(b) the extension of additional credit in connection with the workout of a classified asset, provided such extension is consistent with the Interagency Policy Statement on Prudent Commercial Real Estate Loan Workouts dated October 30, 2009 and in compliance with the provisions of Article III and Article VIII of this Agreement.

(5) The Board shall ensure that all concentrations of credit are subjected to the analysis required by subparagraph (a) of paragraph (1) of this Article at least annually, and, if that analysis demonstrates that the concentration subjects the Bank to undue risk, the Board shall take appropriate steps to mitigate such risk.

(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 III

CRITICIZED AND CLASSIFIED ASSETS

(1) The Bank shall take immediate and continuing action to protect its interest in those assets criticized in the Report of Examination dated September 30, 2009 (“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 sixty (60) days, the Board shall adopt, implement, and thereafter ensure Bank adherence to individual workout plans designed to eliminate the basis of criticism of assets criticized in the ROE, in any subsequent Report of Examination, by any internal or external loan review, or in any list provided to management by the National Bank Examiners classified as "doubtful," "substandard," or "special mention." Each workout plan shall include, at a minimum:

- (a) an identification of the expected sources of repayment;
- (b) the current 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 a global cash flow analysis of the borrower's repayment ability; and
- (d) actions designed to eliminate the basis of criticism of and protect the bank's interest in the asset, including timeframes for implementing and evaluating the effectiveness of those actions.

(3) Upon adoption, a copy of the workout plans for all criticized assets equal to or exceeding five hundred thousand dollars (\$500,000) shall be forwarded to the Assistant Deputy Comptroller.

(4) The Board, or a designated committee, shall conduct a review, on at least a quarterly basis, to determine:

- (a) the status of each criticized asset or criticized portion thereof that equals or exceeds five hundred thousand dollars (\$500,000);

(b) management's adherence to the workout plans adopted pursuant to this Article;

(c) the status and effectiveness of the plans; and

(d) the need to revise the plans or take alternative action.

(5) A copy of each review shall be forwarded to the Assistant Deputy Comptroller on a quarterly basis (in a format similar to Appendix A, attached hereto).

(6) The Bank may not extend credit, directly or indirectly, including renewals or extensions, to a borrower whose loans or other extensions of credit are criticized in the ROE, in any subsequent Report of Examination, in any internal or external loan review, or in any list provided to management by the National Bank Examiners during any examination and whose aggregate loans or other extensions exceed two hundred and fifty thousand dollars (\$250,000) unless if each of the following conditions is met:

(a) the Board or 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 designated committee) approves the credit extension and records, in writing, why such extension is necessary to promote the best interests of the Bank; and

(b) a comparison to the plans 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 of the designated committee shall be maintained in the file of the affected borrower.

(8) The Board shall ensure that the Bank has process, personnel and control systems to ensure implementation of and adherence to the requirements of this Article.

ARTICLE IV

CREDIT RISK RATING SYSTEM INCLUDING NONACCRUAL RECOGNITION

(1) Within thirty (30) days, the Board must ensure that the Bank's internal risk ratings for commercial-related credit relationships ("covered relationship"), as assigned by responsible loan officers and the independent loan review, are timely, accurate and consistent with the regulatory classifications of credit criteria set forth in the Rating Credit Risk Booklet of the Comptroller's Handbook. At a minimum, the Board must ensure, on an ongoing basis, that with respect to the assessment of credit risk of any covered relationship:

(a) the primary consideration is the strength of the borrower's primary source of repayment;

(b) if the primary source of repayment is cash flow from the borrower's operations, the strength of cash flow is determined through analysis of the borrower's historical and projected financial statements, past performance and future prospects in light of conditions that have occurred;

(c) collateral, nongovernment guarantees and other similar credit risk mitigants that affect potential loss in the event of default are taken into consideration only after the primary source of repayment has weakened and the probability of default has increased;

(d) collateral values reflect a current assessment of value based on actual market conditions and product status;

(e) credit risk ratings are reviewed and updated whenever relevant new information is received, but no less frequently than annually;

(f) the credit risk rating analysis is documented (in the file) and available for review by the Board and the OCC upon request;

(g) loans and other assets are timely placed on nonaccrual by the lending officers in accordance with the guidelines set forth in the Call Report Instructions; and

(h) credit risk ratings and accrual status for all problem credits are accurately reported to the Board in a timely manner.

(2) Within thirty (30) days, and on an ongoing basis thereafter, the Board must ensure that any covered relationship with a high probability of payment default or other well-defined weakness is rated no better than Substandard, unless the loan is secured by marketable collateral, or cash. Consistent with the guidance in the “Rating Credit Risk Booklet,” A-RCR of the Comptrollers Handbook, the presence of illiquid collateral or existence of a plan for improvement does not, and a nongovernment guaranty generally will not, mitigate the probability of default or a well-defined weakness.

(3) At least quarterly, 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 must submit a copy of this assessment to the Assistant Deputy Comptroller.

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

ARTICLE V

INDEPENDENT LOAN REVIEW

(1) The Board shall, within thirty (30) days after receipt of no supervisory objection from the Assistant Deputy Comptroller pursuant to paragraph (2) of this Article, appoint or employ a capable person(s) or firm to conduct an independent review and identification of the Bank's problem loans and leases (the "Independent Reviewer").

(2) The Board shall, within thirty (30) days, submit the resume and qualifications of the person(s) or firm selected by the Board to conduct an independent review and identification of the Bank's problem loans and leases (the "Independent Reviewer"), including the proposed scope of their loan review engagement to the Assistant Deputy Comptroller for review and determination of no supervisory objection.

(3) The engagement shall provide for the periodic (and not less than annual) review of the Bank's loan and lease portfolios to assure the timely identification and categorization of problem credits. The engagement shall provide for a written report to be filed with the Board after each review, and the Independent Reviewer shall use a loan and lease grading system consistent with the guidelines set forth in "Rating Credit Risk" and "Allowance for Loan and Lease Losses" booklets of the Comptroller's Handbook. Such reports shall include, at a minimum, conclusions regarding:

- (a) the identification, type, rating, and amount of problem loans and leases;
- (b) the identification and amount of delinquent loans and leases;
- (c) credit and collateral documentation exceptions;
- (d) the identification and status of credit related violations of law, rule or regulation;
- (e) the identity of the loan officer who originated each loan reported in accordance with subparagraphs (a) through (d) of the Article;
- (f) concentrations of credit;
- (g) loans and leases to executive officers, directors, principal shareholders (and their related interests) of the Bank; and
- (h) loans and leases not in conformance with the Bank's lending and leasing policies.

(4) The Board shall evaluate the independent loan and lease review report(s) provided by the Independent Reviewer and shall ensure that immediate, adequate, and continuing remedial action, if appropriate, is taken upon all findings noted in the report(s).

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

ARTICLE VI

CREDIT AND COLLATERAL EXCEPTIONS

(1) The Bank shall, within sixty (60) days, obtain and analyze current and satisfactory credit information on all loans identified during the current examination by the National Bank Examiners lacking such information.

(2) The Bank shall obtain and analyze current and satisfactory credit information on all loans identified 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 within sixty (60) days of receipt of such Report or listing.

(3) The Bank shall, within sixty (60) days, ensure proper collateral documentation is maintained on all loans and correct each collateral exception identified during the current examination by the National Bank Examiners.

(4) The Bank shall correct each collateral exception identified 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 within sixty (60) days of receipt of such Report or listing.

(5) If the Bank is unable to obtain the credit information or collateral documentation required by paragraphs (1), (2), (3), or (4) of this Article within the established timeframes, the Bank shall document its efforts to obtain such information or documentation, and maintain the documentation of its efforts in the loan file.

(6) The Board shall ensure that the Bank has process, personnel and control systems to ensure implementation of and adherence to the requirements of this Article.

ARTICLE VII

CREDIT UNDERWRITING

- (1) 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 business operations;
 - (e) documenting with adequate supporting material, the value of collateral and noting the perfection of the bank's lien; and
 - (f) documenting whether the loan complies with the Bank's Loan Policy and, if it does not comply, explaining how the loan is an exception to the policy and why the exception is justified.
- (2) Failure to obtain the information required by paragraph (1)(d) of this Article 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 required by paragraph (1)(d) 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) and a centralized file for review by the Board, senior management and examiners.

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

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) (“Interagency Statement”) 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 that are consistent with FASB Statement of Financial Accounting Standards No. 5, Accounting for Contingencies, and address the nine qualitative factors set forth in the Interagency Statement;

(c) procedures for validating the ALLL methodology;

(d) a process for summarizing and documenting, for the Board's review and approval, the amount to be reported in the Consolidated Reports of Condition and Income ("Call Reports") for the ALLL. Any deficiency between the ALLL balance as determined by the analysis required by this Article and the Bank's actual ALLL balance, regardless of the amount of such deficiency, shall be remedied through additional provision expense in the quarter it is discovered, prior to the filing of the Call Reports.

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

ARTICLE IX

LIQUIDITY RISK MANAGEMENT PROGRAM

(1) Within thirty (30) days, the Board shall revise and maintain a comprehensive liquidity risk management program which assesses, on an ongoing basis, the Bank's current and projected funding needs, and ensures that sufficient funds or access to funds exist to meet those needs. Such a program must include effective methods to achieve and maintain sufficient liquidity, and to measure and monitor liquidity risk, to include at a minimum:

(a) strategies to maintain sufficient liquidity at reasonable costs including, but not limited to, better diversification of funding sources and increasing available liquidity.

(b) preparation of weekly liquidity reports; which shall be reviewed by the Board on at least a monthly basis, to include, at a minimum, the following:

(i) a certificate of deposit maturity schedule, including separate line items for internet generated deposits, depicting maturities on a weekly basis;

(ii) a schedule of all funding obligations, including unfunded loan commitments, outstanding lines of credit and outstanding letters of credit, showing the obligations that can be drawn immediately, and on a weekly basis;

(iii) a listing of funding sources, on weekly basis;

(iv) a sources and uses of funds report which reflects known and projected changes in asset and liability accounts on a weekly basis, and the assumptions used in developing the projections. Such reports shall be updated monthly and include, at a minimum:

1. the funding obligations and sources required by (b) and (c) of this paragraph;
2. projected additional funding sources, including loan payments, loan sales/participations, or deposit increases; and
3. projected additional funding requirements from a reduction in deposit accounts including internet generated deposits, inability to acquire federal funds purchased, or availability limitations or reductions associated with other borrowing relationships.

(c) adoption of liquidity risk measures and limits to control rollover risk and overall liquidity risk to the bank. These risk measures and limits shall include, at a minimum:

(i) a measurement that ensures full coverage of maturing volatile funds through a combination of liquid assets and other available liquidity sources, the measurement may be on a rolling basis, e.g. three months, six months, etc.;

(ii) a measurement of liquid assets to volatile funds, and a minimum level of liquid assets to be maintained at all times in conjunction with d (i) above;

(iii) maturity limits for all certificates of deposit for each maturity timeframe to control rollover risk; and

(iv) concentration limits for non-core liability liquidity funding sources.

(2) The liquidity risk management program shall require the Bank to continuously maintain readily liquid assets at an amount that at least equals 13% of total assets (as defined in the Call Report Instructions. For purposes of this Article, “readily liquid assets means cash and cash equivalents, deposits at insured depository institutions, U.S. government securities maturing in less than one year, and U.S. government securities available for outright sale or sale under agreement to repurchase. “Readily liquid assets” shall not include any assets encumbered or pledged by lien, right of setoff, preference, or otherwise, or any other asset pledged as security in any transaction with any party. At least 7% of total assets shall consist of cash and cash equivalents, deposits at insured depository institutions, or U.S. government securities maturing in one year or less.

(3) The Board shall submit a copy of the comprehensive liquidity risk management program, along with the reports required by this Article, to the Assistant Deputy Comptroller for review and prior written determination of no supervisory objection.

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

ARTICLE X

CLOSING

(1) Although the Board is by this Consent 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 Consent Order shall in any way inhibit, estop, bar or otherwise prevent the Comptroller from so doing.

(3) Any time limitations imposed by this Consent Order shall begin to run from the effective date of this Consent 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 Consent Order are effective upon issuance of this Consent 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 Consent Order shall have been amended, suspended, waived, or terminated in writing by the Comptroller.

(5) In each instance in this Consent Order in which the Board is required to ensure that certain actions are taken, and to ensure adherence to certain programs, policies, and procedures, 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 Bank management to report on a timely basis on the results of such actions directed by the Board to be taken under the terms of this Agreement;
- (c) analyze the underlying reasons for any non-compliance with such actions in a timely manner; and
- (d) initiate corrective action deemed appropriate in a timely manner for any non-compliance with such actions.

(6) This Consent 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.

(7) The terms of this Consent 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 22nd day of April, 2010.

/s/

Thomas C. Munz
Assistant Deputy Comptroller
Chicago North Field Office

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

**In the Matter of:
Union National Bank
Elgin, Illinois**

AA-CE-10-37

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

The Comptroller of the Currency of the United States of America (“Comptroller”) may initiate cease and desist proceedings against Union National Bank, Elgin, Illinois (“Bank”) pursuant to 12 U.S.C. § 1818(b) for unsafe and unsound banking practices relating to credit underwriting and administration and violations of 12 U.S.C. §§ 84 and 161.

The Bank, in the interest of compliance and cooperation, and without admitting or denying any wrongdoing, consents to the issuance of a Consent Order, dated April 22, 2010 (“Consent 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) Upon the issuance of this Consent Order:

(a) the Bank will not be an “eligible bank” pursuant to 12 C.F.R. § 5.3(g)(4) for the purposes of 12 C.F.R. Part 5 regarding rules, policies, and procedures for corporate activities, unless otherwise informed in writing by the OCC;

(b) the Bank will be subject to the limitation of 12 C.F.R. § 5.51(c)(6)(ii) for the purposes of 12 C.F.R. § 5.51 requiring OCC approval of a change in directors and senior executive officers, unless otherwise informed in writing by the OCC; and

(c) the Bank will be subject to the limitation on golden parachute and indemnification payments provided by 12 C.F.R. § 359.1(f)(1)(ii)(C) and 12 C.F.R. § 5.51(c)(6)(ii), unless otherwise informed in writing by the OCC.

ARTICLE II

AGREEMENT

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

(2) The Bank further agrees that said Consent 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 Consent 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); any and all procedural rights available in connection with the issuance of the Consent Order;
 - (b) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(i), 12 C.F.R. Part 19
 - (c) all rights to seek any type of administrative or judicial review of the Consent Order; and
 - (d) any and all rights to challenge or contest the validity of the Consent 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/

Thomas C. Munz
Assistant Deputy Comptroller
Chicago North Field Office

4/22/2010

Date

