



Comptroller of the Currency
Administrator of National Banks

Midwestern District Office
2345 Grand Boulevard, Suite 700
Kansas City, Missouri 64108-2637

Conditional Approval #517
April 2002

March 20, 2002

Daniel L. Krieger, President
Ames National Corporation
405 Fifth Street
Ames, Iowa 50010

Subject: De Novo Bank Charter (OCC Control Number 02-MW-01-001)
Fiduciary Powers (OCC Control Number 02-MW-12-019)

Dear Mr. Krieger:

The Comptroller of the Currency (OCC) has reviewed your application to establish a new national bank with the title of **United Bank & Trust National Association**. On March 20, 2002, after a thorough evaluation of all data available to the OCC, we found that your proposal met the requirements for preliminary conditional approval. Your request for trust powers is also approved. The bank also may offer credit life, health, and accident insurance in accordance with 12 C.F.R. § 2.

This preliminary conditional approval is granted based on a thorough review of all information available, including the representations and commitments made in the application and by the proposed bank's representatives. We also made our decision to grant preliminary conditional approval with the understanding that the proposed national bank will apply for membership in the Federal Reserve System and obtain FDIC insurance.

This preliminary conditional approval is subject to the condition that during the first three years of the bank's operations under its business plan, the bank: (i) shall give the OCC's Omaha Field Office at least sixty (60) days prior notice of its intent to significantly deviate from its business plan, and (ii) shall obtain the OCC's written determination of no supervisory objection before the bank engages in any significant deviation or change from the proposed operating plan. This condition is enforceable under 12 U.S.C. §1818. The bank must provide a copy of such notice to the FDIC's Kansas City Regional Office.

The bank's initial paid-in capital, net of organizational and preopening expenses, shall be no less than \$5 million. The manner in which capital is raised must not deviate from that described in the operating plan without prior OCC notification. If the capital for the new bank is not raised within 12 months or if the new bank is not opened for business within 18 months from the preliminary conditional approval date, the OCC will withdraw approval. The OCC is opposed to granting extensions, except under the most extenuating circumstances and when the OCC determines that the delay is beyond the applicant's control. The organizers are expected to proceed diligently, consistent with their application, for the bank to open for business as soon as possible.

This is preliminary conditional approval only. Final approval will not be granted until and unless the Federal Reserve Board acts favorably on your application with them to acquire this new bank. You must furnish the OCC's Midwestern District Office with a copy of all related filings to the Federal Reserve, including registration material.

Until final approval is granted, the OCC has the right to alter, suspend, or revoke preliminary approval should any interim development be deemed by the OCC to warrant such action.

Please refer to the "Corporate Organization" booklet (enclosed) in the *Comptroller's Corporate Manual* for the instructions on organizing your bank. The booklet contains all of the steps you must take to receive your charter. As detailed in the booklet, you may establish the corporate existence of and begin organizing the bank as soon as you adopt and forward acceptable Articles of Association and the Organization Certificate to this office. As a "body corporate" or legal entity, you may begin taking those steps necessary for obtaining final approval, but you may not begin the business of banking until you fulfill all requirements for a bank in organization and you are granted final approval by the OCC.

Enclosed are standard requirements that must be met before the bank will be allowed to commence business. Management must ensure that the applicable policies and procedures are established and adopted by the board of directors before the bank begins operation. Applicable standard requirements also must be satisfied before the bank will be allowed to commence business.

In addition to the procedural requirements for all new national banks, the following requirements must be satisfied prior to the bank's request for a preopening examination and before the OCC will grant final charter approval:

1. The bank must submit to the Omaha Field Office for review and approval a complete description of the bank's final information systems and operations architecture as well as the information systems risk assessment and management plan. This should include a schematic drawing and discussion of the following items:
 - Vendor due diligence and contracts; electronic banking security mechanisms and policies; information systems personnel; internal controls; audit plans; and operating policies and procedures, including, but not limited to, vendor management, weblinking, customer authentication and verification, and business resumption contingency plans.

2. The bank must have performed an independent security review and test of its electronic banking platform. The bank must have this review performed regardless of whether the platform is operated in-house or by one or more third-party service providers. If the bank outsources the technology platform, it can rely on testing performed for the service provider to the extent that it satisfies the scope and requirements listed herein. The review must be conducted by an objective, qualified independent source (Reviewer). The scope should cover:
 - All access points, including the Internet, Intranet, or remote access.
 - The adequacy of physical and logical protection against unauthorized access including individual penetration attempts, computer viruses, denial of service, and other forms of electronic access.

By written report, the Reviewer must confirm that the security measures, including the firewall, have been satisfactorily implemented and tested. For additional guidance, see “The Internet and the National Bank Charter” booklet of the *Comptroller’s Corporate Manual*, pages 37-38, 74-75. You will find the booklet at the OCC’s web site, www.occ.treas.gov/netbank/letters.htm.

3. The bank must have a security program in place that complies with the “Interagency Guidelines Establishing Standards for Safeguarding Customer Information” specified at 12 C.F.R. 30, Appendix B.

The OCC poses no objection to the following persons serving as executive officers as proposed in the application. Additional executive officers are subject to the OCC’s prior review and clearance.

President:	Leo E. Herrick
Senior Loan Officer:	Dale L. Ites

The OCC poses no objection to Keith R. Brown, Leo E. Herrick, Daniel L. Krieger, Larry A. Raymon, Kevin L. Swartz and John S. Wise serving as directors. All other directors are subject to the OCC’s prior review and clearance.

You are also reminded that for a period of two years after the bank has opened for business, the OCC must review and have no objection to any new executive officer or director prior to that person assuming such position.

The OCC will send to you under separate cover an appropriate set of OCC handbooks, manuals, issuances and selected other publications.

This approval, and activities and communications by OCC employees in connection with the filing, do not constitute a contract, express or implied, or any other obligation binding the OCC, the U.S., any agency or entity of the U.S., or an officer or employee of the U.S., and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. The foregoing may not be waived or modified by any employee or agent of the OCC or the U.S.

You should direct any questions concerning this preliminary conditional approval to Daniel J. Walters at (312) 360-8872.

Sincerely,

/s/

Ellen Tanner Shepherd
Licensing Manager
Midwestern District

Enclosures: "Corporate Organization" Booklet
Minimum Policies and Procedures
Standard Requirements