

AGREEMENT BY AND BETWEEN
Liberty Bank, N.A.
Twinsburg, Ohio
and the
Comptroller of the Currency

Liberty Bank, N.A., Twinsburg, Ohio (“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.

As a result of the findings contained in the Bank’s Report of Examination dated as of June 30, 2010 (“ROE”), the Comptroller has found unsafe or unsound practices relating to capital adequacy, concentrations of credit, new product initiatives, and credit risk management at the Bank.

Further, the Comptroller has determined and notified the Bank that it is no longer in compliance with the conditions and requirements required to maintain control of a financial subsidiary pursuant to 12 U.S.C. § 24a(e)(1) and 12 C.F.R. § 5.39(j)(1).

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 be construed to be an “agreement” within the meaning of 12 U.S.C. § 24a(e) and 12 C.F.R. § 5.39(j)(1).

(6) This Agreement shall cause the Bank to be subject to the provisions of 12 C.F.R. § 5.51(c)(6), unless otherwise informed in writing by the Comptroller. In addition, this Agreement shall cause the Bank not to be designated as an “eligible bank” for purposes of 12 C.F.R. § 5.3(g), unless otherwise informed in writing by the Comptroller.

(7) All reports, plans, or other information which the Bank or Board has agreed to submit to the Assistant Deputy Comptroller pursuant to this Agreement shall be forwarded to:

Allyn R. Adams Jr.
Assistant Deputy Comptroller
Cleveland Field Office
200 Public Square, Suite 1610
Cleveland, Ohio 44114

ARTICLE II

COMPLIANCE COMMITTEE

(1) Within thirty (30) days of the date of this Agreement, the Board shall appoint a Compliance Committee of at least three (3) directors, of which no more than one (1) shall be an employee or controlling shareholder 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 meet at least monthly.

(3) Within sixty (60) days of the date of this Agreement and quarterly thereafter, the Compliance Committee shall submit a written progress report to the Board setting forth in detail:

(a) actions taken to date to comply with each Article of this Agreement and the results and status of those actions; and

(b) a description of the additional actions needed to achieve full compliance with each Article of this Agreement.

(4) The Board shall forward a copy of each Compliance Committee report, with any additional comments by the Board, to the Assistant Deputy Comptroller within ten (10) days of receiving such report.

ARTICLE III

CAPITAL PLAN AND HIGHER MINIMUMS

(1) The Bank shall achieve by June 30, 2011, and thereafter maintain the following capital ratios (as defined in 12 C.F.R. Part 3):

(a) Tier 1 capital at least equal to eight percent (8%) of adjusted total assets;¹
and

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 at least equal to twelve percent (12%) 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 Bank shall not declare any dividend without the prior written determination of no supervisory objection from the Assistant Deputy Comptroller.

(4) Within ninety (90) days, the Board shall develop, implement, and thereafter ensure Bank adherence to a capital plan. The plan shall include:

- (a) specific plans to achieve and maintain adequate capital that may in no event be less than the requirements of paragraph (1);
- (b) projections for growth and capital requirements based upon the strategies of the Bank, historical performance, and an analysis of the Bank’s assets, liabilities, earnings, and fixed assets;
- (c) the sources and timing of additional capital to meet the Bank's current and future needs; and
- (d) contingency plans that identify alternative means to achieve compliance with the requirements of the Article.

(5) Upon completion, the Bank's capital plan shall be submitted to the Assistant Deputy Comptroller for prior written determination of no supervisory objection. If the Board submits a capital plan and the Assistant Deputy Comptroller fails to provide a determination of no supervisory objection, the Board shall resubmit a revised capital plan to the Assistant Deputy Comptroller. Upon receiving a written determination of no supervisory objection from the

Assistant Deputy Comptroller, the Board shall implement and thereafter ensure Bank adherence to the capital plan.

(6) The Board shall review and update the Bank's capital plan on an annual basis, or more frequently if necessary. Copies of the reviews and updates shall be submitted to the Assistant Deputy Comptroller.

ARTICLE IV

NEW PRODUCTS OR SERVICES

(1) The Board shall ensure that the Bank does not offer or introduce any new products or services without Board approval after documented consideration of the analysis required under this Article. For purposes of this Article, a new product or service includes, but is not limited to, a new type or structure of loan or lease, a newly targeted category of borrower, and the expansion or modification of existing bank products and services as defined in OCC Bulletin 2004-20, *Risk Management of New, Expanded, or Modified Bank Products and Services*.

(2) Prior to the Bank's involvement in any new products or services, the Board shall prepare and consider a written analysis of the new product or service. The analysis shall be consistent with guidance established in OCC Bulletin 2004-20 and shall include, at a minimum, the following:

- (a) an assessment of the risks and benefits of the product or service to the Bank, including a profitability analysis;
- (b) an explanation of how the product or service is consistent with the Bank's strategic plans; and

- (c) an evaluation of the adequacy of the Bank's organizational structure, staffing, management information systems (MIS), internal controls and written policies and procedures to identify, measure, monitor, and control the risks associated with the product or service.

(3) Prior to the Bank's involvement in the new product or service, a copy of the analysis required by paragraph (2) of this Article shall be submitted to the Assistant Deputy Comptroller for a written determination of no supervisory objection.

ARTICLE V

CONCENTRATIONS OF CREDIT

(1) Within ninety (90) 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 be consistent with OCC Bulletin 2006-46, *Interagency Guidance on Concentrations in Commercial Real Estate Lending, Sound Risk Management Practices*, and shall include, but not necessarily be limited to, the following:

- (a) an ongoing process for identifying concentrations of credit;
- (b) a written analysis of the Bank's concentrations of credit, which identifies and assesses the inherent credit, liquidity, and interest rate risks;
- (c) an action plan approved by the Board to reduce the risk of any concentration deemed imprudent in the above analysis;
- (d) the establishment of Board-approved concentration limits relative to capital;

- (e) a process for reporting all concentrations to the Board on a periodic basis;
- (f) procedures requiring notification to the Board when the Bank's concentrations of credit exceed Board-approved limits;
- (g) procedures for periodic portfolio-level stress tests or sensitivity analyses of the Bank's concentrations to quantify the impact of changing economic conditions on asset quality, earnings, and capital; and
- (h) contingency plans to reduce or mitigate concentrations in the event of adverse market conditions.

(2) For purposes of this Article, a concentration of credit is as defined in the "Loan Portfolio Management" booklet of the Comptroller's Handbook.

(3) Upon completion, the Board shall forward a copy of the program to the Assistant Deputy Comptroller for a written determination of no supervisory objection.

(4) The Board shall ensure that all concentrations of credit are subjected to the analysis required by 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.

ARTICLE VI

CHIEF CREDIT OFFICER

(1) Within sixty (60) days, the Board shall appoint a capable chief credit officer who shall be vested with sufficient executive authority to fulfill the duties and responsibilities of the position and ensure the safe and sound operation of functions within the scope of the position's responsibility.

(2) Prior to the appointment of any individual to the chief credit officer position, the Board shall submit to the Assistant Deputy Comptroller the following information:

- (a) a written description of the chief credit officer's duties, responsibilities, and lines of authority;
- (b) a written analysis completed by the Board which details the skills and experience necessary for an individual to fulfill the duties and responsibilities of the position;
- (c) a written statement of the Board's reasons for selecting the proposed individual; and
- (d) the information sought in the "Changes in Directors and Senior Executive Officers" and "Background Investigations" booklets of the Comptroller's Licensing Manual, and any other requested information for the proposed individual.

(3) Pursuant to 12 U.S.C. § 1831i and 12 C.F.R. § 5.51, the Assistant Deputy Comptroller shall have the authority to issue a notice of disapproval with respect to the appointment of the proposed chief credit officer. However, the lack of disapproval of such individual shall not constitute an approval or endorsement of the proposed chief credit officer.

(4) If the chief credit officer position is or at any time becomes vacant, the Board shall, within sixty (60) days of such vacancy, appoint a capable person to the vacant position who shall be vested with the executive authority to ensure the Bank's compliance with this Agreement and the safe and sound operation of functions within the scope of the position's responsibility.

(5) If the Board is unable to locate an acceptable person to the chief credit officer position within the timeframes required by this Article, despite its best efforts, the Board shall document its efforts to locate appropriate candidates. Thereafter, the Board shall provide quarterly reports to the Assistant Deputy Comptroller summarizing its continuing efforts to locate such candidates.

ARTICLE VII

INCENTIVE COMPENSATION

(1) Within sixty (60) days, the Board shall revise its written incentive compensation program to be consistent with OCC Bulletin 2010-24, *Interagency Guidance on Sound Incentive Compensation Policies*. At a minimum, the Bank's incentive compensation program shall:

- (a) prohibit the payment of excessive compensation, as defined in 12 C.F.R Part 30, Appendix A;
- (b) balance risks and financial results in a manner that does not encourage employees to expose the Bank to imprudent risks; and
- (c) provide a process requiring the Board to reevaluate the effectiveness and benefits of the Bank's incentive compensation program on at least an annual basis.

(2) Upon completion, the Board shall submit a copy of the Bank's revised incentive compensation program to the Assistant Deputy Comptroller for a written determination of no supervisory objection. Upon receiving a determination of no supervisory objection, the Board shall implement and thereafter ensure adherence to the program.

ARTICLE VIII

WORKOUT PLANS AND EXTENSIONS TO PROBLEM BORROWERS

(1) The Bank shall take immediate and continuing action to protect its interest in those assets criticized² in the ROE, in any subsequent Report of Examination, in any list provided to management by the National Bank Examiners during any examination, or by internal or external loan review.

(2) Within one hundred eighty (180) days, the Board shall adopt, implement, and thereafter ensure Bank adherence to individual workout plans designed to eliminate the basis of criticism of any assets criticized in the ROE, in any subsequent Report of Examination, in any list provided to management by the National Bank Examiners during any examination, or by any internal or external loan review. 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 cash flow analysis where loans are to be repaid from operations; and
- (d) the proposed actions to eliminate the basis of criticism and the dates by which the actions will be taken.

(3) Upon adoption, a copy of the workout plans for all criticized assets equal to or exceeding two-hundred fifty thousand dollars (\$250,000) shall be forwarded to the Assistant Deputy Comptroller.

² The term "criticized" as used in this Article refers to assets rated the equivalent of "doubtful," "substandard," or "special mention" as defined in the "Rating Credit Risk" booklet of the Comptroller's Handbook.

(4) The Board, or a designated committee, shall conduct a review, on at least a quarterly basis, of the workout plans adopted pursuant to this Article to determine:

- (a) the status of each criticized asset or criticized portion thereof that equals or exceeds two-hundred fifty thousand dollars (\$250,000);
- (b) management's adherence to the workout plans adopted pursuant to this Article; and
- (c) the need to revise the workout plans or take alternative action.

(5) A copy of each review conducted pursuant to paragraph (4) of this Article shall be forwarded to the Assistant Deputy Comptroller on a quarterly basis.

(6) The Bank may 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 list provided to management by the National Bank Examiners during any examination, or by internal or external loan review, only 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 its 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 workout plans adopted pursuant to this Article shows that the Board's formal plan to collect or strengthen the criticized asset will not be compromised by the credit extension.

(7) Copies of the approvals and comparisons of the Board or designated committee obtained pursuant to paragraph (6) of this Article shall be maintained in the file of the affected borrower.

ARTICLE IX

CREDIT AND COLLATERAL INFORMATION

(1) Within one hundred twenty (120) days the Board shall obtain and analyze current and satisfactory credit information on all loans identified as lacking such information by the National Bank Examiners during the examination dated as of June 30, 2010.

(2) The Bank shall obtain and analyze current and satisfactory credit information on all loans identified as lacking such information in any subsequent Report of Examination, in any internal or external loan review, or in any listings of loans provided to management by the National Bank Examiners within ninety (90) days of receipt of such Report or listing.

(3) The Bank shall, within ninety (90) days, ensure proper collateral documentation is maintained on all loans and correct each collateral exception identified by the National Bank Examiners during the examination dated as of June 30, 2010.

(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 ninety (90) 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) 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;
 - (i) Failure to obtain the information in (6)(d) 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 (6)(d) would be detrimental to the best interests of the Bank.
 - (ii) A copy of the Board certification shall be maintained in the credit file of the affected borrower. The certification will be reviewed by this Office in subsequent examinations of the Bank; and
- (e) documenting, with adequate supporting material, the value of collateral and properly perfecting the Bank's lien on it where applicable.

ARTICLE X

LOAN RISK RATINGS & NONACCRUAL RECOGNITION

(1) Within one hundred eighty (180) days, and on an ongoing basis thereafter, the Board must ensure that the Bank's internal risk ratings of commercial credit relationships in excess of \$250,000 ("covered relationship"), as assigned by responsible loan officers and independent loan review, are timely, accurate, and consistent with the regulatory credit classification 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 the borrower's 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, non-government guarantees, and other similar credit risk mitigants that affect potential loss in the event of default are taken into consideration only if 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 project 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 borrower's loan file and available for review by the Board and the OCC upon request; and
- (g) loans and other assets are timely placed on nonaccrual by the lending officers in accordance with the guidelines set forth in the Instructions for Preparation of Consolidated Reports of Condition and Income ("Call Report Instructions").

(2) Within ninety (90) 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 debt is secured by marketable securities or cash. Consistent with the guidance in the "Rating Credit Risk" booklet of the Comptroller's Handbook, the presence of illiquid collateral or the existence of a plan for improvement does not, and a non-government guarantee generally will not, mitigate the probability of default or a well-defined weakness.

(3) Beginning February 2011 and on a monthly basis thereafter, management shall provide the Board with written reports including, at a minimum, the following information:

- (a) the total of aggregate problem and delinquent loans and leases;
- (b) a comparison of problem and delinquent loan levels relative to capital;
- (c) a historical trend analysis of problem and delinquent loans and leases;
- (d) a list of problem and delinquent loans and leases which identifies the type, rating, and amount of each loan or lease; and
- (e) credit and collateral documentation exceptions.

ARTICLE XI

ALLOWANCE FOR LOAN AND LEASE LOSSES

(1) Within ninety (90) 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 U.S. generally accepted accounting principles (“GAAP”). 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 GAAP (including FASB ASC 310-10, *Receivables - Overall - Subsequent Measurement – Impairment*);
- (b) procedures for segmenting the loan portfolio and estimating loss on groups of loans that are consistent with GAAP (including FASB ASC 450-20, *Loss Contingencies*). These procedures shall require the Bank to document its estimation of credit losses and its analysis of the nine qualitative factors set forth in the Interagency Statement;
- (c) procedures for validating the ALLL methodology; and
- (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. The Bank shall maintain written documentation indicating the factors considered and

conclusions reached by the Board in determining the adequacy of the Allowance.

(2) The Board shall adopt, implement, and thereafter ensure adherence to written policies and procedures to ensure that all official and regulatory reports filed by the Bank accurately reflect an adequate ALLL balance as of the date that such reports are submitted. 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.

(3) Upon adoption, the Board shall submit a copy of the policies and procedures required by this Article to the Assistant Deputy Comptroller for determination of no supervisory objection.

ARTICLE XII

FINANCIAL SUBSIDIARIES

(1) The Board shall ensure that the Bank complies with all the requirements and safeguards set forth in 12 U.S.C. § 24a and 12 C.F.R. § 5.39 for a national bank that has established or maintains a financial subsidiary.

(2) Upon the effective date of this Agreement, the Bank shall not, directly or indirectly, acquire control of, nor hold an interest in, any new financial subsidiary, nor commence a new activity in its existing financial subsidiary, unless:

- (a) the OCC has made a written determination that the Bank has corrected the circumstances and conditions detailed in the Bank's ROE that led to the

Bank's noncompliance with the conditions and requirements for a national bank to control, or hold an interest in, a financial subsidiary;

- (b) the Assistant Deputy Comptroller has made a written determination of no supervisory objection to the proposed activity in the Bank's existing financial subsidiary or acquisition of control of, or interest in, a new financial subsidiary; and
- (c) the Bank has obtained the OCC's written approval for the proposed activity or acquisition of control through the procedures set forth in 12 C.F.R. § 5.39(i).

ARTICLE XIII

FINANCIAL SUBSIDIARY ACTION PLAN

(1) The Board shall direct management to undertake and complete all steps necessary to correct the circumstances and conditions, as described in the ROE, resulting in the Bank's noncompliance with the conditions and requirements set forth in 12 U.S.C. § 24a and 12 C.F.R. § 5.39 for a national bank that maintains a financial subsidiary.

(2) Within one hundred fifty (150) days of the effective date of this Agreement, the Board shall develop and adopt a written plan that:

- (a) explains the specific actions that Bank management will take to correct the circumstances and conditions, as noted in the Bank's ROE, resulting in the Bank's noncompliance with the conditions and requirements for a national bank that maintains a financial subsidiary;

- (b) specifies how the Board will ensure Bank management's implementation of the plan; and
- (c) sets forth a timetable for the implementation of each action specified in the plan.

(3) Upon completion of the plan, the Board shall submit the plan to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection. Upon receiving a written determination of no supervisory objection from the Assistant Deputy Comptroller, the Bank shall immediately implement and adhere to the plan.

(4) The plan shall be implemented pursuant to the time frames set forth within the plan unless events dictate modifications to the plan. Where the Board considers modifications appropriate, those modifications shall be submitted to the Assistant Deputy Comptroller for prior written determination of no supervisory objection. Upon receiving a written determination of no supervisory objection from the Assistant Deputy Comptroller, the Bank shall implement and adhere to the revised plan.

(5) If, after one hundred eighty (180) days following the Bank's receipt of the Comptroller's notice in the Bank's ROE, the Comptroller determines, in his sole discretion, that the circumstances and conditions, as detailed in the Bank's ROE, that led to the Bank's noncompliance with the conditions and requirements for a national bank to control, or hold an interest in, a financial subsidiary have not been corrected, and the Bank has not made significant progress towards the correction of those circumstances and conditions, the Bank agrees, if it is directed to do so by the Comptroller, to:

- (a) divest control of its financial subsidiary pursuant to 12 U.S.C. § 24a(e)(4) and 12 C.F.R. § 5.39(j)(1)(iv); and

- (b) comply with any additional limitations or conditions on the conduct of the Bank, its affiliates, and its financial subsidiary pursuant to 12 U.S.C. § 24a(e)(3) and 12 C.F.R. § 5.39(j)(1)(iii).

ARTICLE XIV

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 that certain actions are taken, and to ensure adherence to certain programs, plans, 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 and appropriate manner; and
- (d) initiate corrective action deemed appropriate for any non-compliance with such actions in a timely manner.

(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 his hand on behalf of the Comptroller.

/s/

Allyn R. Adams Jr.
Assistant Deputy Comptroller
Comptroller of the Currency

1/25/11

Date

IN TESTIMONY WHEREOF, the undersigned, as the duly elected and acting Board of Directors of the Bank, have hereunto set their hands on behalf of the Bank.

<u>/s/</u> Charles A. Clemens	<u>1/25/11</u> Date
<u>/s/</u> Dominic D'Amore, Jr.	<u>1/25/11</u> Date
<u>/s/</u> Richard C. Ebner	<u>1/25/11</u> Date
<u>/s/</u> Ann M. Hawkins	<u>1/25/11</u> Date
<u>/s/</u> Jerome G. Kysela	<u>1/25/11</u> Date
<u>/s/</u> Donald A. Latore	<u>1/25/11</u> Date
<u>/s/</u> Joseph D. Miceli	<u>1/25/11</u> Date
<u>/s/</u> John R. Miller	<u>1/25/11</u> Date
<u>/s/</u> James Mirgliota	<u>1/25/11</u> Date
<u>/s/</u> Ralph R. Razinger	<u>1/25/11</u> Date
<u>/s/</u> Daniel D. Smith	<u>1/25/11</u> Date
<u>/s/</u> William A. Valerian	<u>1/25/11</u> Date

