

AMENDED AGREEMENT BY AND BETWEEN

Native American Bank, National Association  
Browning, Montana  
and  
The Office of the Comptroller of the Currency

Native American Bank, National Association, Browning, Montana (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, through his authorized representative, and the Bank's predecessor, Blackfeet National Bank, by and through its duly elected and acting Board of Directors (Board), executed a Formal Agreement (Agreement) on July 24, 2001. This Agreement applies to the Bank, as the resulting bank, in the same manner as though the Comptroller had executed the Agreement initially with the Board of the Bank.

The Comptroller, through his National Bank Examiner, has examined the Bank, and his findings are contained in the Report of Examination dated March 31, 2002 (ROE).

The Comptroller, through his duly authorized representative, and the Bank, through its Board, have mutually agreed that an amendment to the Agreement is now warranted.

In consideration of the above premise, the Comptroller, through his authorized representative, and the Bank, by and through its Board, have mutually agreed that the Agreement executed on July 24, 2001, shall be amended and restated in its entirety as follows:

## 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) 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  
Billings Field Office  
490 North 31<sup>st</sup> Street, Suite 490  
Billings, Montana 59101

## ARTICLE II

### COMPLIANCE COMMITTEE AND PROGRESS REPORTING

(1) Within seven (7) days, the Board shall appoint a compliance committee of at least three (3) directors, none of whom shall be officers of the Bank. The Compliance Committee shall be responsible for monitoring and coordinating the Bank’s adherence to the provisions of this Agreement.

(2) By June 30, 2003, and quarterly thereafter, the Compliance Committee shall submit a written progress report to the full Board setting forth in detail:

- (a) actions taken to comply with each article of this Agreement;
- (b) the results of those actions; and
- (c) a description of the actions needed to achieve full compliance with each article of this Agreement.

(3) Within thirty (30) days of the end of each calendar quarter, the Board shall forward a copy of the Compliance Committee's report, with any additional comments by the Board, to the Assistant Deputy Comptroller.

### ARTICLE III

#### CAPITAL PLAN AND HIGHER MINIMUMS

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

- (a) Tier 1 capital at least equal to twelve percent (12%) of risk-weighted assets; and
- (b) Tier 1 capital at least equal to ten percent (10%) of adjusted total assets.

(2) The requirement in this Agreement to meet and maintain a specific capital level means that the Bank may not be deemed to be "well capitalized" for purposes of 12 U.S.C. § 1831o and 12 C.F.R. Part 6 pursuant to 12 C.F.R. § 6.4(b)(1)(iv).

(3) The Board shall implement and ensure Bank adherence to its three year capital program adopted by the Board on September 30, 2002. The program shall maintain:

- (a) specific plans for the maintenance of adequate capital that may in no event

be less than the requirements of paragraph (1);

- (b) projections for growth and capital requirements based upon a detailed analysis of the Bank's assets, liabilities, earnings, fixed assets, and off-balance sheet activities;
- (c) projections of the sources and timing of additional capital to meet the Bank's current and future needs;
- (d) the primary source(s) from which the Bank will strengthen its capital structure to meet the Bank's needs;
- (e) contingency plans that identify alternative methods should the primary source(s) under (d) above not be available; and
- (f) a dividend policy that permits the declaration of a dividend only:
  - (i) when the Bank is in compliance with its approved capital program;
  - (ii) when the Bank is in compliance with 12 U.S.C. §§ 56 and 60; and
  - (iii) with the prior written approval of the Assistant Deputy Comptroller.

(4) Any changes to the Bank's capital program adopted by the Board on September 30, 2002, shall be submitted to the Assistant Deputy Comptroller for approval. Upon approval by the Assistant Deputy Comptroller, the Bank shall implement and adhere to the revised capital program. In addition, the Board shall review and update the Bank's capital program on an annual basis, or more frequently if necessary. Copies of the reviews and updates shall be submitted to the Assistant Deputy Comptroller.

(5) 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 IV

### STRATEGIC PLAN

(1) The Board shall implement and ensure Bank adherence to the written strategic plan for the Bank adopted by the Board on September 30, 2002. The strategic plan established objectives for the Bank's overall risk profile, earnings performance, growth, balance sheet mix, off-balance sheet activities, liability structure, capital adequacy, reduction in the volume of nonperforming assets, product line development and market segments that the Bank intends to promote or develop, together with strategies to achieve those objectives.

(2) The Bank shall provide the Assistant Deputy Comptroller with at least thirty (30) days' advance notice of its intent to significantly deviate from the strategic plan. A copy of the modified plan shall be submitted for review and approval. Such review and approval shall be provided within thirty (30) days of receipt of the strategic plan. Immediately upon receiving approval, the modified strategic plan shall be implemented. For purposes of this Agreement, a significant deviation shall have the same meaning as that phrase is described in OCC PPM 5400-9, Appendix B.

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

## ARTICLE V

### VIOLATIONS OF LAW

(1) The Board shall immediately take all necessary steps to ensure that Bank management corrects each violation of law, rule or regulation cited in the ROE and in any

subsequent Report of Examination. The quarterly progress reports required by Article II of this Agreement shall include the date and manner in which each correction has been effected during that reporting period.

(2) Within sixty (60) days, the Board shall adopt, implement, and thereafter ensure Bank adherence to specific procedures to prevent future violations as cited in the ROE and shall adopt, implement, and ensure Bank adherence to general procedures addressing compliance management which incorporate internal control systems and education of employees regarding laws, rules and regulations applicable to their areas of responsibility.

(3) Within sixty (60) days of receipt of any subsequent Report of Examination which cites violations of law, rule, or regulation, the Board shall adopt, implement, and thereafter ensure Bank adherence to specific procedures to prevent future violations as cited in the ROE and shall adopt, implement, and ensure Bank adherence to general procedures addressing compliance management which incorporate internal control systems and education of employees regarding laws, rules and regulations applicable to their areas of responsibility.

(4) Upon adoption, a copy of these procedures shall be promptly forwarded to the Assistant Deputy Comptroller.

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

## ARTICLE VI

### CLOSING

(1) Although the Board has agreed to submit certain programs and reports to the Assistant Deputy Comptroller for review or approval, 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) 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 OCC or the United States. Notwithstanding the absence of mutuality of obligation, or of consideration, or of a contract, the OCC may enforce any of the commitments or obligations herein undertaken by the Bank under its 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 OCC has any intention to enter into a contract. The Bank also expressly acknowledges that no OCC officer or employee has statutory or other authority to bind the United States, the U.S. Treasury Department, the OCC, or any other federal bank regulatory agency or entity, or any officer or employee of any of those entities to a contract affecting the OCC's exercise of its supervisory responsibilities. The terms of this Agreement, including this paragraph, are not subject to amendment or modification by any extraneous expression, prior agreements or arrangements, or negotiations 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/ H. Gene Robinson*

\_\_\_\_\_  
H. Gene Robinson  
Assistant Deputy Comptroller  
Salt Lake City Field Office

*4/15/03*

\_\_\_\_\_  
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.

_____ Lewis A. Anderson	_____ Date
Signed	4/15/03
_____ John H. Beirise	_____ Date
Signed	4/15/03
_____ Elouise C. Cobell	_____ Date
Signed	4/15/03
_____ John B. Cole	_____ Date
_____ Byron I. Mallott	_____ Date
_____ William D. Snider	_____ Date
Signed	4/15/03
_____ Derrick Watchman	_____ Date