

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

In the Matter of:

Mission National Bank
San Francisco, California

AA-WE-12-36

CONSENT ORDER

The Comptroller of the Currency of the United States of America (“Comptroller”) has supervisory authority over Mission National Bank, San Francisco, California (“Bank”).

The Bank, through its duly elected and acting Board of Directors (“Board”), has executed a “Stipulation and Consent to the Issuance of a Consent Order,” dated March 22, 2012, 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 (“Order”) by the Comptroller.

Pursuant to the authority vested in him by the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818, the Comptroller hereby orders that:

ARTICLE I

Compliance Committee

(1) The Board shall ensure that the Bank maintains an active Compliance Committee consisting 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. In the event of a change in Compliance Committee membership, the name of any new member shall be submitted in writing to the Assistant Deputy Comptroller.

(2) The Compliance Committee shall be responsible for monitoring and coordinating the Bank's adherence to the provisions of this Order and shall meet at least monthly.

(3) Within ten (10) days after the end of every calendar quarter, 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 Order;
- (b) actions taken to comply with each Article of this Order; and
- (c) the results and status of those actions.

(4) The Board shall forward a copy of the Compliance Committee's report, with any additional comments by the Board, to the Assistant Deputy Comptroller within thirty (30) days of receiving such report.

(5) All reports or plans which the Bank or Board has agreed to submit to the Assistant Deputy Comptroller pursuant to this Order shall be forwarded to the:

Assistant Deputy Comptroller
San Francisco Field Office
One Front Street, Suite 1000
San Francisco, California 94111

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

ARTICLE II

Bank Management

(1) The Board shall immediately take all necessary steps to ensure that the Bank has competent management and staff in place on a full-time basis with the knowledge, skills, and abilities to carry out the Board's policies, ensure compliance with this Order, applicable laws,

rules, and regulations, and manage the day-to-day operations of the Bank in a safe and sound manner. Such management and staff shall include, at a minimum:

- (a) a permanent Chief Executive Officer (“CEO”);
- (b) a permanent Chief Credit Officer (“CCO”); and
- (c) an experienced loan officer with expertise in problem loan administration and workouts.

(2) Prior to the appointment of a CEO or CCO, or entering into any contract with any person for such position, the Board shall provide the Assistant Deputy Comptroller with written notice and the following information for a written determination of no supervisory objection:

- (a) the information sought in the “Changes in Directors and Senior Executive Officers” booklet of the *Comptroller’s Licensing Manual*, together with a legible fingerprint card for the proposed individual;
- (b) a written statement of the Board’s reasons for selecting the proposed individual; and
- (c) a written description of the proposed individual’s duties and responsibilities, including, if applicable, any Board committees of which the individual would be a member or chairperson.

(3) The Assistant Deputy Comptroller shall have the power to disapprove the appointment of the proposed new CEO and CCO. However, the lack of disapproval of such individual shall not constitute an approval or endorsement of the proposed officer.

(4) Until the Board identifies a qualified CEO or CCO candidate, the Board shall continue to provide monthly reports to the Assistant Deputy Comptroller in writing summarizing continuing efforts to locate such candidates.

ARTICLE III

Capital and Strategic Plan

- (1) Effective immediately, the Bank shall maintain at all times the following minimum capital ratios:
 - (a) tier 1 capital at least equal to nine percent (9.0%) of adjusted total assets;
and
 - (b) total risk-based capital at least equal to twelve percent (12.0%) of risk-weighted assets.
- (2) For purposes of this Article, “tier 1 capital,” “total risk-based capital,” “adjusted total assets,” and “risk-weighted assets” are as defined in 12 C.F.R. Part 3.
- (3) The requirement in this Order to meet and maintain a specific capital level means that the Bank is not to be deemed “well capitalized” for purposes of 12 U.S.C. § 1818o and 12 C.F.R. Part 6 pursuant to 12 C.F.R. § 6.4(b)(1)(iv).
- (4) Effective immediately, the Bank shall not increase its total loans by more than five percent (5.0%) annually over the amount reported in the Bank’s Consolidated Report of Condition and Income (“Call Report”) as of December 31, 2011 (the amount on schedule RC-C Part I, line 12) without the prior written determination of no supervisory objection from the Assistant Deputy Comptroller.
- (5) Effective immediately, the Bank shall only declare dividends when:
 - (a) the Bank is in compliance with the Bank’s Rolling 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.

(6) Within thirty (30) days of this Order, the Board shall revise its three-year capital and strategic plan (“Rolling Three-Year Plan”) and submit a copy to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection. The revised Rolling Three-Year Plan shall cover at least the next three (3) years from the date of this Order and include specific time frames that incorporate the strategic and other requirements of this Article. 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 Rolling Three-Year Plan.

(7) The revised Rolling Three-Year Plan shall establish updated objectives and realistic 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, include:

- (a) the development of strategic goals and objectives to be accomplished over the short and long term;
- (b) a detailed action plan to improve Bank earnings and accomplish identified strategic goals and objectives, including individual responsibilities, accountability, specific time frames, and major capital expenditures required to achieve those objectives;

- (c) 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;
- (d) a formal succession plan for key management positions and the Board that, at a minimum, lists the qualified candidates for each key management position, discusses in detail the adequacy of each candidate to perform the potential role, and considers how each critical management position will be filled in both the short term and the long term to provide for continuity of banking operations;
- (e) a financial forecast to include projections for major balance sheet and income statement accounts and desired financial ratios over the period covered by the strategic plan;
- (f) specific plans for the maintenance of adequate capital levels that may in no event be less than the requirements of Paragraph (1) of this Article;
- (g) growth limitations designed to ensure compliance with Paragraph (4) of this Article;
- (h) a dividend policy that only permits the declaration of a dividend in accordance with Paragraph (5) of this Article;
- (i) projections of the sources and timing of additional capital to meet the Bank's current and future needs;
- (j) contingency plans that identify alternative methods should the primary capital sources not be available;

- (k) systems to monitor the Bank's progress in meeting the plan's goals and objectives; and
- (l) provisions for plan updates and review by the Board on an annual basis, or more frequently if necessary.

ARTICLE IV

Loan Policy

(1) Effective immediately, 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) Within thirty (30) days of this Order, the Board shall review, revise, and thereafter ensure adherence to the Bank's Loan Policy to include, at a minimum, revisions relating to:

- (a) a description of acceptable types of loans and a prohibition against making any loan for which the Bank does not have the knowledge, skills or ability to properly underwrite and monitor;
- (b) the establishment of underwriting standards by loan type, especially commercial real estate and asset-based lending, that specifically include at a minimum, the requirements of this Paragraph: approval authorizations; documentation; analysis; cash flow (including debt service coverage); repayment periods; collateral coverage (loan to cost and loan to value); guarantor support; appraisals; and loan covenants;
- (c) expectations regarding required credit file information for each different lending product offered;

- (d) requirements that lending officers appropriately analyze and document appropriate credit and collateral information on all extensions of credit (including participations purchased), to include, at a minimum:
- (i) documenting the specific reason or purpose for the extension of credit;
 - (ii) identifying the expected source of repayment in writing;
 - (iii) structuring the repayment terms to coincide with the expected source of repayment;
 - (iv) 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;
 - (v) determining and documenting whether the loan complies with the Bank's Loan Policy and if it does not comply, providing identification of the exception and ample justification to support waiving the policy exception;
 - (vi) making and documenting determinations regarding the customer's ability to repay the credit on the proposed repayment terms, including an evaluation of both primary and secondary sources of repayment, as well as a global cash flow analysis that considers all customer debt service requirements;
 - (vii) verification of liquid assets that the Bank is relying on as a source of repayment;

- (viii) documenting, with adequate supporting material, the value of collateral and properly perfecting the Bank's lien on it where applicable;
 - (ix) providing an accurate risk assessment grade;
 - (x) ongoing requirements for obtaining and analyzing financial statements; and
 - (xi) ongoing requirements for obtaining periodic collateral inspections as appropriate.
- (e) requirements relating to guarantor support;
 - (f) minimum loan covenants;
 - (g) maturity scheduling related to the anticipated source of repayment, the purpose of the loan, and the useful life of the collateral;
 - (h) maximum ratio of loan value to appraised value or acquisition costs of collateral securing the loan;
 - (i) collection procedures, to include follow-up efforts, that are systematically and progressively stronger;
 - (j) a pricing policy that takes into consideration costs, general overhead, and probable loan losses, while providing for a reasonable margin of profit;
 - (k) a definition of the Bank's trade area;
 - (l) guidelines and limitations for loans originating outside of the Bank's trade area;
 - (m) a limitation on aggregate outstanding loans in relation to other balance sheet accounts;

- (n) a prohibition regarding the use of brokered deposits to fund loan growth or support criticized loans;
- (o) guidelines for loans to insiders, including a statement that such loans will not be granted on terms more favorable than those offered to similar outside borrowers;
- (p) guidelines and limitations on concentrations of credit consistent with Article V;
- (q) a limitation on the type and size of loans that may be made by loan officers without prior approval by the Board or a committee established by the Board for this purpose;
- (r) measures to correct the deficiencies in the Bank's lending procedures noted in any Report of Examination;
- (s) guidelines designed to improve Board oversight of the loan approval process, specifically with regard to credits exhibiting significant risk. At a minimum, the policy shall:
 - (i) establish dollar limits on extensions of credit to any one borrower, above which the prior approval of the Board, or a committee thereof, would be required;
 - (ii) establish dollar limits on aggregate extensions of credit to any one borrower, above which any new extensions of credit to that borrower, regardless of amount, would require the prior approval of the Board, or a committee thereof; and

- (iii) require that all credits which deviate from the Bank's normal course of business, including all credits which deviate from the Bank's written strategic plan, receive the prior approval of the Board, or a committee thereof.
- (t) guidelines consistent with Banking Circular 255, setting forth the criteria under which renewals of extensions of credit may be approved. At a minimum the policy shall:
 - (i) ensure that renewals are not made for the sole purpose of reducing the volume of loan delinquencies; and
 - (ii) provide guidelines and limitations on the capitalization of interest;
- (u) charge-off guidelines, by type of loan or other asset, including Other Real Estate Owned ("OREO"), addressing the circumstances under which a charge-off would be appropriate and ensuring the recognition of losses within the quarter of discovery;
- (v) guidelines for participations as set forth in Banking Circular 181 (Revised), dated August 2, 1984, and the requirements of 12 C.F.R. Part 34, and a prohibition against purchasing any participation for which the Bank does not have the knowledge, skills or ability to properly underwrite on its own;
- (w) guidelines for periodic review of the Bank's adherence to the revised lending policy; and
- (x) guidelines for periodic review and revision of the lending policy.

(3) The revised loan policy shall be in an electronic format that allows for the integration of updates and amendments.

(4) Effective immediately, the Bank may not grant, extend, renew, alter, or restructure any loan or other extension of credit equal to or exceeding two hundred fifty thousand dollars (\$250,000) 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;
- (d) obtaining current and satisfactory credit information, including performing and documenting analysis of credit information and a detailed global cash flow analysis of all expected repayment sources, including an adequate debt service coverage analysis and contingent liabilities for affiliated companies when consolidating global cash flows;
- (e) determining and documenting whether the loan complies with the Bank's Loan Policy and if it does not comply, providing identification of the policy exception and ample justification to support the exception;
- (f) making and documenting the determinations made regarding the customer's ability to repay the credit on the proposed repayment terms;
- (g) providing an accurate risk assessment grade; and
- (h) documenting, with adequate supporting material, the value of collateral and properly perfecting the Bank's lien on it where applicable.

(3) The Board shall take all 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 Report of Examination conducted as of September 30, 2011, 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 V

Concentrations of Credit

(1) Within thirty (30) days of this Order, the Board shall develop and submit to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection a written concentration risk management program consistent with the “Concentrations of Credit” booklet of the *Comptroller’s Handbook*. The concentration risk management program shall include, but not necessarily be limited to, the following:

- (a) a review and revision of current policies, processes and procedures to control and monitor concentrations of credit;
- (b) a written analysis of all concentrations of credit that fully assesses inherent credit, liquidity, and interest rate risk;
- (c) the establishment of safe and sound, formal risk limits, including an overall limit, for all concentrations of credit based on a percentage of capital, stratified by type, locality and other meaningful measures;
- (d) procedures for monthly monitoring of concentration reports that stratify the loan portfolio by product type, locality and other meaningful measures;

- (e) strategies and procedures to manage and reduce concentrations to conform with the established limits set in Subparagraph (c) of this Article;
- (f) strategies and procedures to be taken when concentrations approach or exceed Board limits that include a Board policy that requires a detailed analysis and written support to conclude that any concentration limit increase will not subject the Bank to undue credit or interest rate risk before the Board may approve such increase; and
- (g) periodic monitoring and re-evaluation of concentration limits by the Board.

(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 VI

Credit Risk Ratings and Nonaccrual Recognition

(1) The Board shall ensure adherence to the Bank's program for accurate and timely risk ratings and nonaccrual recognition, submitted on August 3, 2011.

(2) Within thirty (30) days of this Order, the Board shall submit to the Assistant Deputy Comptroller for prior written determination of no supervisory objection the name, qualifications, and proposed scope and terms of employment of a consultant to perform independent reviews of the Bank's loan portfolio at least semi-annually to assure the timely identification and categorization of problem credits. The scope of the engagement with the loan review consultant shall provide for a written report to be filed with the Board after each review

and shall use a loan and lease grading system consistent with the guidelines set forth in the “Rating Credit Risk” booklet of the *Comptroller’s Handbook*.

(3) Upon receiving a written determination of no supervisory objection from the Assistant Deputy Comptroller, the Board shall immediately engage the loan review consultant pursuant to the proposed terms of the engagement.

ARTICLE VII

Problem Asset Reports

(1) The Board shall take immediate and continuing action to protect the Bank’s interest in those assets criticized as “doubtful,” “substandard,” or “special mention” in the Report of Examination conducted as of September 30 2011, in any subsequent Report of Examination, in any internal or external loan review, or in any list provided to management by 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 problem asset reports for all criticized credit relationships and OREO totaling two hundred fifty thousand dollars (\$250,000) or above that require, at a minimum, analysis and documentation of the following:

- (a) information about each loan, including but not limited to, origination and renewal dates, amount, purpose, and sources of repayment;
- (b) risk rating history and reasons for upgrades or downgrades;
- (c) analysis of current and satisfactory financial information, including cash flow;
- (d) appraised value of supporting collateral and lien position;

- (e) cumulative information for significant developments, including changes since the prior report;
- (f) the Bank's strategy (hold, exit, etc.) and the proposed action and timing to eliminate the basis of criticism; and
- (g) trigger dates and events for upgrade or downgrade.

(3) A copy of each problem asset report for criticized credit relationships and OREO totaling two hundred fifty thousand dollars (\$250,000) or above (including participation to affiliates), along with any Board comments regarding the effectiveness of the effort to eliminate the weaknesses in each credit or to dispose of the OREO, shall be submitted to the Assistant Deputy Comptroller within fifteen (15) days of each calendar quarter end.

(4) Effective immediately, the Bank shall 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 Report of Examination conducted as of September 30, 2011, in any subsequent Report of Examination, in any internal or external loan review, or in any list provided to management by National Bank Examiners during any examination and whose aggregate loans or other extensions of credit equal or exceed two hundred fifty thousand dollars (\$250,000), 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 or a designated committee thereof concludes that the plan to collect or strengthen the criticized asset will not be compromised by the extension of credit.

ARTICLE VIII

Contingency Funding Plan

(1) Within thirty (30) days of this Order, the Board shall revise, enhance, and submit to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection the Bank's Contingency Funding Plan ("CFP"), to ensure that it provides the Bank with the ability to secure funding in a timely manner at reasonable costs. The revised CFP shall include, at a minimum:

- (a) forward-looking triggers that are tied to the financial condition of the Bank. Specifically, triggers tied to deterioration in asset quality, changes to PCA capital categories, CAMELS ratings, or a scenario in which the Bank becomes subject to a public enforcement action;
- (b) a quantitative projection and evaluation of expected funding needs and funding capacity for each crisis scenario, including potential funding crisis triggers and balance sheet projections across the individual liquidity crisis scenarios. This analysis must include potential erosion in funding for each scenario and the potential cash flow mismatches that may occur as a result, i.e., a sources and uses statement for each crisis scenario; and
- (c) a policy that requires that potential funding crisis triggers be monitored and reported to the Board monthly.

(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 revised CFP required by this Article.

ARTICLE IX

Allowance for Loan and Lease Losses

(1) Within thirty (30) days of this Order, the Board shall revise, adopt, implement, and thereafter ensure adherence to written policies and procedures for maintaining an appropriate Allowance for Loan and Lease Losses (“Allowance”) in accordance with GAAP. The Allowance policies and procedures shall be consistent with applicable guidance, including 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 shall, at a minimum:

- (a) incorporate the Bank’s actual historical losses over a reasonable time period;
- (b) use broad ranges for qualitative factors and realistically assess the Bank’s placement within the range;
- (c) justify the multiplier used to assess unsecured pass loans as well as loans rated below pass; and
- (d) support the impairment decision, method used to calculate impairment, and the amount of impairment for loans subject to ASC 310 (formerly FAS 114).

(2) The Allowance policies and procedures 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 X

Consumer Compliance

(1) The Board shall ensure adherence to the revised BSA Program approved by the Board on July 13, 2011.

(2) Within thirty (30) days of this Order, the Board shall revise and submit to the Assistant Deputy Comptroller for a prior written determination of no supervisory objection a written, risk-based consumer compliance program designed to ensure that the Bank is operating in compliance with all applicable consumer protection laws, rules, and regulations. This program shall include, at a minimum:

- (a) a written description of the duties and responsibilities of the Compliance Officer;
- (b) the establishment of employee and management accountability for noncompliance with relevant consumer laws, rules, and regulations;
- (c) revised policies and procedures to ensure they provide appropriate guidance regarding all relevant consumer protection laws, rules, and regulations, in particular the Flood Disaster Protection Act;
- (d) timely updates of written policies and procedures to ensure they remain current;

- (e) adequate internal controls to ensure compliance with consumer protection laws, rules, and regulations;
- (f) a formalized risk assessment process and annual audit plan to use in determining the frequency and scope of ongoing compliance monitoring and audits;
- (g) a comprehensive independent audit program to adequately test for compliance with consumer protection laws, rules, and regulations;
- (h) procedures to ensure that exceptions noted in the audit reports are corrected and responded to by the appropriate Bank personnel;
- (i) the education and training of all appropriate Bank personnel in the requirements of all applicable federal and state consumer protection laws, rules, and regulations;
- (j) procedures for the dissemination of changes in laws, rules, regulations, and OCC policy to affected Bank personnel; and
- (k) periodic reporting of the results of the consumer compliance audit to the Board or a committee thereof.

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

(3) The Board shall review the revised consumer compliance program annually.

ARTICLE XI

Closing

(1) Although the Bank is required to submit certain proposed actions and programs 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 and the completeness and accuracy of the Bank's books and records.

(2) If, at any time, the Comptroller deems it appropriate in fulfilling the responsibilities placed upon him by the several laws of the United States to undertake any action affecting the Bank, nothing in this Order shall in any way inhibit, estop, bar, or otherwise prevent the Comptroller from so doing.

(3) Any time limitations imposed by this Order shall begin to run from the effective date of this Order. 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 Order shall remain effective and enforceable, except to the extent that, and until such time as, any provisions of this Order shall have been amended, suspended, waived, or terminated in writing by the Comptroller.

(5) In each instance in this Order in which the Board is required to undertake and ensure adherence to certain obligations of the Bank, including the obligation to prepare, update, revise, develop, or implement plans, policies, or other actions, it is intended to mean that the Board shall:

- (a) authorize and adopt such actions on behalf of the Bank as may be necessary or appropriate for the Bank to perform its obligations under this Order;

- (b) require the timely reporting by Bank management of such actions directed by the Board to be taken under the terms of this Order;
- (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 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 the Comptroller or the United States.

(7) The terms of this 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.

IN TESTIMONY WHEREOF, the undersigned has hereunto set his hand on behalf of the Comptroller.

/s/

Brian J. Quade
Assistant Deputy Comptroller
San Francisco Field Office

03/22/2012

Date

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

In the Matter of:

Mission National Bank
San Francisco, California

AA-WE-12-36

STIPULATION AND CONSENT TO THE ISSUANCE OF A CONSENT ORDER

The Comptroller of the Currency of the United States of America (“Comptroller”) has initiated cease and desist proceedings against Mission National Bank, San Francisco, California (“Bank”), pursuant to 12 U.S.C. § 1818(b).

The Bank, in the interest of compliance and cooperation, consents to the issuance of a Consent Order, dated March 22, 2012 (“Order”);

In consideration of the above premises, the Comptroller, through his authorized representative, and the Bank, by and through its 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 Bank is an “insured depository institution” as defined in 12 U.S.C. § 1813(c)(2) and within the meaning of 12 U.S.C. § 1818(b).

(3) The Comptroller is the “appropriate Federal banking agency” within the meaning of 12 U.S.C. § 1813(q)(1) and for the purposes of 12 U.S.C. § 1818(b) to initiate an enforcement proceeding against the Bank.

ARTICLE II

Agreement

(1) The Bank, without admitting or denying any wrongdoing, hereby consents and agrees to the issuance of the Order by the Comptroller. The Bank further consents and agrees that the Order shall be deemed an “order issued with the consent of the depository institution” as used in 12 U.S.C. § 1818(h)(2), and consents and agrees that the 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).

(2) 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);
 - (b) any and all procedural rights available in connection with the issuance of the Order;

- (c) all rights to seek any type of administrative or judicial review of the Order;
- (d) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(i) or 12 C.F.R. Part 19; and
- (e) any and all rights to challenge or contest the validity of the Order.

ARTICLE IV

Other Action

(1) 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, he deems it appropriate to do so to fulfill the responsibilities placed upon him 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/

Brian J. Quade
Assistant Deputy Comptroller
San Francisco Field Office

03/22/2012

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/
John Chan

03/22/2012
Date

/s/
Owen Erickson

03/22/2012
Date

/s/
Steven Giorgi

03/22/2012
Date

/s/
John Kerbleski

03/22/2012
Date

/s/
Alma Medina-Mendoza Vivar

03/22/2012
Date