

AGREEMENT BY AND BETWEEN
The National Iron Bank
Salisbury, Connecticut
and
The Office of the Comptroller of the Currency

AA-NE-2023-24

The National Iron Bank, Salisbury, Connecticut (“Bank”) and the Office of the Comptroller of the Currency (“OCC”) wish to assure the safety and soundness of the Bank and its compliance with laws and regulations.

The Comptroller of the Currency (“Comptroller”) has found unsafe or unsound practices, including those relating to capital and strategic planning, concentrations risk management, credit underwriting and administration, and Bank Secrecy Act/Anti-Money Laundering (“BSA/AML”) risk management, and violations of law, rule, or regulation, including those relating to compliance with the Bank Secrecy Act (“BSA”).

Therefore, the OCC, through the duly authorized representative of the Comptroller, and the Bank, through its duly elected and acting Board of Directors (“Board”), hereby agree that the Bank shall operate at all times in compliance with the following:

ARTICLE I

JURISDICTION

(1) The Bank is an “insured depository institution” as that term is defined in 12 U.S.C. § 1813(c)(2).

(2) The Bank is a national banking association within the meaning of 12 U.S.C. § 1813(q)(1)(A) and is chartered and examined by the OCC. *See* 12 U.S.C. § 1 *et seq.*

(3) The OCC is the “appropriate Federal banking agency” as that term is defined in 12 U.S.C. § 1813(q).

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) members of which a majority shall be directors who are not employees or officers of the Bank or any of its subsidiaries or affiliates. The Board shall submit in writing to the Assistant Deputy Comptroller the names of the members of the Compliance Committee within ten (10) days of their appointment. In the event of a change of the membership, the Board shall submit in writing to the Assistant Deputy Comptroller within ten (10) days the name of any new or resigning committee member. The Compliance Committee shall monitor and oversee the Bank's compliance with the provisions of this Agreement. The Compliance Committee shall meet at least quarterly and maintain minutes of its meetings.

(2) Within ninety (90) days of the date of this Agreement, and thereafter within thirty (30) days after the end of each quarter, the Compliance Committee shall submit to the Board a written progress report setting forth in detail:

- (a) a description of the corrective actions needed to achieve compliance with each Article of this Agreement;
- (b) the specific corrective actions undertaken to comply with each Article of this Agreement; and
- (c) the results and status of the corrective actions.

(3) Upon receiving each written progress report, the Board shall forward a copy of the report, with any additional comments by the Board, to the Assistant Deputy Comptroller within ten (10) days of the first Board meeting following the Board's receipt of such report.

ARTICLE III

CAPITAL PLANNING

(1) Within sixty (60) days of the date of this Agreement, the Board shall adopt an effective internal capital planning process to assess the Bank's capital adequacy in relation to its overall risks and to ensure maintenance of appropriate capital levels. Thereafter, management shall implement, and the Board shall verify, no less than annually, adherence to the capital planning process. The capital planning process shall be consistent with safe and sound practices and ensure the integrity, objectivity, and consistency of the process through adequate governance. Refer to the "Capital and Dividends" booklet of the *Comptroller's Handbook*. The Board shall document the initial capital planning process and thereafter review and document the capital planning process at least annually or more frequently, if appropriate, or required by the Assistant Deputy Comptroller in writing.

(2) Within ninety (90) days of the date of this Agreement, the Board shall submit to the Assistant Deputy Comptroller for review and prior written determination of no supervisory objection an acceptable written capital plan for the Bank, consistent with the Strategic Plan required by Article IV, covering at least a three-year period ("Capital Plan"). Refer to the "Capital and Dividends" booklet of the *Comptroller's Handbook*.

- (3) The Bank's Capital Plan shall, at a minimum:
- (a) include specific plans for the achievement and maintenance of adequate capital;
 - (b) identify and evaluate all material risks;
 - (c) determine the Bank's capital needs in relation to material risks and strategic direction;

- (d) identify and establish a strategy to maintain capital and strengthen capital if necessary and establish a contingency or back-up capital plan commensurate with the Bank's overall risk and complexity;
 - (e) include procedures to measure and monitor balance sheet variances, including formal triggers that require reporting significant balance sheet variances to the Board;
 - (f) provide for stress testing, no less than annually, that incorporates appropriate assumptions and effectively tests capital adequacy based on bank-specific vulnerabilities and risk, including scenarios where balance sheet growth exceeds plan projections; and
 - (g) include detailed quarterly financial projections which shall be consistent with the Strategic Plan required by Article IV.
- (4) The Bank may declare or pay a dividend or make a capital distribution only:
- (a) when the Bank is in compliance with its Board-approved Capital Plan and would remain in compliance with such Capital Plan immediately following the declaration or payment of any dividend or capital distribution;
 - (b) when the dividend or capital distribution would comply with 12 U.S.C. §§ 56, 60, and 1831o(d)(1) and 12 C.F.R. § 3.11(a)(4); and
 - (c) following the Assistant Deputy Comptroller's prior written determination of no supervisory objection to the dividend or capital distribution.
- (5) Within thirty (30) days following receipt of the Assistant Deputy Comptroller's written determination of no supervisory objection to the Bank's Capital Plan or to any

subsequent amendment to the Capital Plan, the Board shall adopt and Bank management, subject to Board review and ongoing monitoring, shall immediately implement and thereafter ensure adherence to the Capital Plan. The Board shall review the effectiveness of the Capital Plan at least annually, no later than January 31 each year, and more frequently if necessary or if required by the OCC in writing, and amend the Capital Plan as needed or directed by the OCC. Any amendment to the Capital Plan must be submitted to the Assistant Deputy Comptroller for review and prior written determination of no supervisory objection.

(6) At least monthly, the Board shall review financial reports and earnings analyses that evaluate the Bank's performance against the goals and objectives established in the Capital Plan, as well as the Bank's written explanation of significant differences between the actual and projected balance sheet, income statement, and expense accounts, including a description of any extraordinary and/or nonrecurring items. This review shall include a description of the actions the Board and management will take to address any deficiencies. At least quarterly, management shall prepare, and the Board shall review, a written evaluation of the Bank's performance against the Capital Plan, which shall include a description of the actions the Board and management will take to address any deficiencies. The Board's monthly reviews and quarterly written evaluations shall be documented in the Board meeting minutes. The Board shall retain a copy of these monthly reviews and Board meeting minutes and shall forward a copy of these quarterly written evaluations and Board meeting minutes to the Assistant Deputy Comptroller within thirty (30) days of completion of its quarterly written evaluations.

ARTICLE IV

STRATEGIC PLANNING

(1) Within sixty (60) days of the date of this Agreement, the Board shall submit to the Assistant Deputy Comptroller for review and prior written determination of no supervisory objection an acceptable written strategic plan for the Bank, covering at least a three-year period (“Strategic Plan”). The Strategic Plan shall establish objectives for the Bank’s overall risk profile, earnings performance, growth, balance sheet mix, off-balance sheet activities, liability structure, and capital and liquidity adequacy, together with strategies to achieve those objectives, and shall, at a minimum, include:

- (a) a mission statement that forms the framework for the establishment of strategic goals and objectives;
- (b) the strategic goals and objectives to be accomplished, including key financial indicators and risk tolerances;
- (c) an assessment of the Bank’s strengths, weaknesses, opportunities, and threats that impact its strategic goals and objectives;
- (d) an assessment of staffing levels conducted by an independent third party to review the number, qualifications, skills, and experience of staff needed to accomplish the strategic goals and objectives developed under paragraph (1)(b) of this Article;
- (e) an evaluation of the Bank’s internal operations, board and management information systems, policies, and procedures for their adequacy and contribution to the accomplishment of the strategic goals and objectives developed under paragraph (1)(b) of this Article;

- (f) a management employment and succession plan designed to promote adequate staffing and continuity of capable management;
- (g) a realistic and comprehensive budget that corresponds to the Strategic Plan's goals and objectives;
- (h) 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;
- (i) a detailed description and assessment of major capital expenditures required to achieve the goals and objectives of the Strategic Plan;
- (j) an identification and prioritization of initiatives and opportunities, including timeframes that comply with the requirements of this Agreement;
- (k) a description of the Bank's target market(s) and competitive factors in its identified target market(s), and a description of controls systems to mitigate risks in the Bank's target market(s);
- (l) an identification and assessment of the present and planned product lines (assets and liabilities) and the identification of appropriate risk management systems to identify, measure, monitor, and control risks within the product lines;
- (m) concentration limits commensurate with the Bank's strategic goals and objectives and risk profile; and
- (n) assigned roles, responsibilities, and accountability for the strategic planning.

(2) Within thirty (30) days following receipt of the Assistant Deputy Comptroller's written determination of no supervisory objection to the Strategic Plan or to any subsequent amendment to the Strategic Plan, the Board shall adopt and Bank management, subject to Board review and ongoing monitoring, shall immediately implement and thereafter ensure adherence to the Strategic Plan. The Board shall review the effectiveness of the Strategic Plan at least annually, no later than January 31 each year, and more frequently if necessary or if required by the OCC in writing, and amend the Strategic Plan as needed or directed by the OCC. Any amendment to the Strategic Plan must be submitted to the Assistant Deputy Comptroller for review and prior written determination of no supervisory objection.

(3) Until the Strategic Plan required under this Article has been submitted by the Bank for the Assistant Deputy Comptroller's review, has received a written determination of no supervisory objection from the Assistant Deputy Comptroller, and has been adopted by the Board, the Bank shall not significantly deviate from the products, services, asset composition and size, funding sources, structure, operations, policies, procedures, and markets of the Bank that existed immediately before the effective date of this Agreement without first obtaining the Assistant Deputy Comptroller's prior written determination of no supervisory objection to such significant deviation.

(4) The Bank may not initiate any action that significantly deviates from a Strategic Plan (that has received written determination of no supervisory objection from the Assistant Deputy Comptroller and has been adopted by the Board) without a prior written determination of no supervisory objection from the Assistant Deputy Comptroller.

(5) Any request by the Bank for prior written determination of no supervisory objection to a significant deviation described in paragraphs (3) or (4) of this Article shall be

submitted in writing to the Assistant Deputy Comptroller at least thirty (30) days in advance of the proposed significant deviation. Such written request by the Bank shall include an assessment of the effects of such proposed change on the Bank's condition and risk profile, including a profitability analysis and an evaluation of the adequacy of the Bank's organizational structure, staffing, management information systems, internal controls, and written policies and procedures to identify, measure, monitor, and control the risks associated with the proposed change.

(6) For the purposes of this Article, changes that may constitute a significant deviation include, but are not limited to, a change in the Bank's marketing strategies, products and services, marketing partners, underwriting practices and standards, credit administration, account management, collection strategies or operations, fee structure or pricing, accounting processes and practices, or funding strategy, any of which, alone or in the aggregate, may have a material effect on the Bank's operations or financial performance; or any other changes in personnel, operations, or external factors that may have a material effect on the Bank's operations or financial performance.

(7) At least quarterly, a written evaluation of the Bank's performance against the Strategic Plan shall be prepared by Bank management and submitted to the Board. Within thirty (30) days after submission of the evaluation, the Board shall review the evaluation and determine the corrective actions the Board will require Bank management to take to address any identified shortcomings. The Board's review of the evaluation and discussion of any required corrective actions to address any identified shortcomings shall be documented in the Board's meeting minutes. Upon completion of the Board's review, the Board shall submit to the Assistant Deputy Comptroller a copy of the evaluation as well as a detailed description of the corrective actions the Board will require the Bank to take to address any identified shortcomings.

ARTICLE V

CONCENTRATIONS OF CREDIT

(1) Within sixty (60) days of the date of this Agreement, the Board shall adopt a written concentration risk management program (“Concentration Program”). Refer to the “Concentrations of Credit” booklet of the *Comptroller’s Handbook* for guidance. For purposes of this Article, a concentration of credit is as defined in the “Concentrations of Credit” booklet of the *Comptroller’s Handbook*.

(2) The Concentration Program shall include, at a minimum:

- (a) identification of the Bank’s known and potential concentrations of credit including, but not limited to, commercial real estate, commercial and industrial, and construction and development concentrations;
- (b) a written analysis of all concentrations of credit that identifies and assesses inherent credit, liquidity, and interest rate risks and considers the impact of concentration levels on overall growth plans, financial targets, portfolio stress tests, and capital plan objectives;
- (c) the establishment of safe and sound, formal limits and sub-limits for all concentrations of credit based on a percentage of Tier 1 capital plus the allowance for loan and lease losses, stratified by loan type, locality of the borrower and/or collateral, and other meaningful measures;
- (d) development and implementation of action plans, approved by the Board, to reduce concentrations to conform to the established limits set in paragraph (2)(c) of this Article, including strategies and procedures when concentrations approach or exceed Board-approved limits;

- (e) management information systems that ensure timely and accurate reporting of concentrations to the Board, including concentration reports that stratify the loan portfolio by type, locality, and other meaningful measures, and procedures for monitoring concentration reports quarterly based upon total committed amounts relative to Board-approved limits;
- (f) portfolio-level stress tests to quantify the impact of changes to portfolio-specific characteristics and market conditions on earnings and capital, consistent with the size, complexity, and risk profile of the portfolio;
- (g) annual re-evaluation and approval of concentration limits by the Board, and a Board policy that requires detailed analysis and written support of any proposed changes demonstrating the credit or interest rate risk that will result from the change; and
- (h) a detailed contingency plan to reduce concentration risk in the event of adverse market conditions, including reasonable action plans.

(3) Upon adoption of the Concentration Program, Bank management, subject to Board review and ongoing monitoring, shall immediately implement and thereafter ensure adherence to the Concentration Program and any amendments thereto. The Board shall review the effectiveness of the Concentration Program at least annually, and more frequently if necessary or if required by the OCC in writing, and amend the Concentration Program as needed or directed by the OCC. The Board shall forward a copy of the adopted Concentration Program, and any subsequent amendments thereto, to the Assistant Deputy Comptroller within thirty (30) days of adoption.

ARTICLE VI

CREDIT UNDERWRITING AND ADMINISTRATION

(1) Within sixty (60) days of the date of this Agreement, the Board shall adopt a written credit underwriting and administration program (“Credit Underwriting and Administration Program”) designed to ensure the Bank obtains and analyzes credit and collateral information sufficient to identify, monitor, and report the Bank’s credit risk, properly account for loans, and assign accurate risk ratings in a timely manner. The Credit Underwriting and Administration Program shall be consistent with safe and sound banking practices.

(2) The Credit Underwriting and Administration Program shall, at a minimum, include:

- (a) policies that address acceptable loan types, terms, covenants, covenant waivers, concentration limits, and collateral requirements and exceptions;
- (b) a description of the types of credit information required from borrowers and guarantors prior to making a loan determination, including annual audited statements, interim financial statements, personal financial statements, tax returns with supporting schedules, and reasonable policies and procedures specific to asset dissipation underwriting for mortgage loans;
- (c) procedures that require any extensions of credit be granted, by renewal or otherwise, only after obtaining the required credit information and adequately analyzing and documenting the borrower’s and guarantor’s cash flow, debt service requirements, contingent liabilities, global liquidity condition, and sensitivity analysis in support of the credit decision,

including policies to ensure sufficient documentation of information and analysis to support collateral valuations and a risk-based approach to review of collateral valuations;

- (d) established aggregate exception level limits; the Bank shall consider each loan officer's exceptions in conducting periodic performance reviews and compensation decisions;
- (e) specific assignment of responsibility and accountability over the credit administration process to ensure the Credit Underwriting and Administration Program developed pursuant to this Article is effectively implemented;
- (f) review of lending staff experience levels, on an annual basis, to ensure employees have the requisite knowledge to perform their duties, and implementation of a plan to hire additional staff and/or provide periodic training where staffing or knowledge gaps exist;
- (g) risk-based reviews of commercial lending relationships to support or revise current risk ratings on at least an annual basis; and
- (h) an independent loan review process reporting directly to the Board that, at a minimum, assesses the appropriateness of credit risk ratings, adequacy of controls and covenants to monitor loan performance, and opines on credit underwriting.

(3) Effective as of the date of this Agreement, the Bank may not grant, extend, renew, alter, or restructure any loan or other extension of credit 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 cash flow analysis of all expected repayment sources;
- (e) determining and documenting whether the loan complies with the Bank's loan policy and, if it does not comply, identifying the exception and providing ample justification to support waiving the policy exception;
- (f) determining and documenting the customer's ability to repay the credit on the proposed repayment terms;
- (g) providing an accurate risk assessment grade and proper accrual status for each credit; and
- (h) documenting the value of collateral, with adequate supporting material including a current appraisal or evaluation as appropriate, and properly perfecting the Bank's lien on it where applicable.

(4) Upon adoption of the Credit Underwriting and Administration Program, Bank management, subject to Board review and ongoing monitoring, shall immediately implement and thereafter ensure adherence to the Credit Underwriting and Administration Program and any amendments thereto. The Board shall review the effectiveness of the Credit Underwriting and Administration Program at least annually, and more frequently if necessary or if required by the OCC in writing, and amend the Credit Underwriting and Administration Program as needed or directed by the OCC. The Board shall forward a copy of the adopted Credit Underwriting and

Administration Program, and any subsequent amendments thereto, to the Assistant Deputy Comptroller within thirty (30) days of adoption.

ARTICLE VII

BANK SECRECY ACT OFFICER AND STAFFING

(1) Within ninety (90) days of the date of this Agreement, the Board shall ensure that the Bank is appropriately staffed with BSA/AML personnel that have requisite expertise, training, skills, and authority. The Board shall ensure that the Bank maintains a permanent, qualified, and experienced BSA Officer who shall be vested with sufficient executive authority, time, and resources to fulfill the duties and responsibilities of the position and ensure the safe and sound operation of the Bank. The BSA Officer shall provide timely and accurate periodic reporting to the Board and senior management about the status of the Bank's BSA/AML Program, including compliance with the BSA and the requirements of this Agreement.

(2) Within ninety (90) days of this Agreement, and no less than annually thereafter, the Board shall review the adequacy of the Bank's BSA Officer and supporting staff, and shall document its determinations in writing. The review shall evaluate and consider the effectiveness of the Bank's BSA/AML Program, as well as the leadership, knowledge, training, and skills of the BSA Officer and staff, appropriate oversight and governance structures for BSA/AML staff, and appropriate staffing levels for the BSA/AML compliance function consistent with the Bank's money laundering, terrorist financing and other illicit financial activity risk assessment, including anticipated risks from new or expanded lines of business, products, and services. The Board shall promptly take action to correct any deficiencies identified following each review.

(3) In the event that the position is vacated, the Board shall promptly appoint a new BSA Officer. Prior to appointing a new BSA Officer, the Board shall submit to the Assistant Deputy Comptroller the following:

- (a) the information sought in the “Changes in Directors and Senior Executive Officers” and “Background Investigations” booklets 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 officer;
- (c) a written description of the proposed officer’s duties and responsibilities; and
- (d) a written request for no supervisory objection to the proposed new BSA Officer.

(4) The Assistant Deputy Comptroller shall have the power to object to the appointment of any proposed new BSA Officer. The requirement to submit information and the prior written no supervisory objection provisions of this paragraph are based on the authority of 12 U.S.C. § 1818(b)(6)(E) and do not require the Assistant Deputy Comptroller to complete her review and act on any such information within ninety (90) days. The lack of supervisory objection to such individual shall not constitute an approval or endorsement of the proposed BSA Officer.

ARTICLE VIII

CUSTOMER DUE DILIGENCE, CUSTOMER RISK IDENTIFICATION, AND HIGH RISK ACCOUNT REVIEWS

(1) Within ninety (90) days of the date of this Agreement, the Board shall ensure the Bank revises, adopts, implements, and thereafter adheres to acceptable, appropriate risk-based policies and procedures for collecting Customer Due Diligence (“CDD”) information when opening new accounts and renewing or modifying existing accounts, and also when events indicate information is missing or incomplete, profiles need to be updated, or activity does not match the customer profile. These policies and procedures must provide for ongoing customer due diligence and must be adequate to ensure that the Bank understands the nature and purpose of customer relationships for the purpose of developing a customer risk profile. At a minimum, the policies and procedures shall:

- (a) ensure accounts are accurately risk-rated and CDD performed is appropriate, including risk-based procedures for obtaining additional information for higher-risk accounts;
- (b) ensure that customer risk ratings are appropriately incorporated into the Bank’s overall risk assessment;
- (c) ensure staff responsible for gathering CDD information have sufficient authority, training, and skills to perform their assigned responsibilities;
- (d) provide for the maintenance of an accurate and complete list of higher risk profile customers that identifies current customers and accounts exhibiting high-risk characteristics for money laundering, terrorist financing, or other illicit activity; and

- (e) provide for ongoing due diligence reviews of higher risk profile customers for analysis and documentation of information, which shall include, at a minimum:
 - (i) evidence of transactional analysis, including expected versus actual activity, the source and use of funds, trends, and activity patterns; and
 - (ii) critical analysis of all significant information in the file, including the identification of significant disparities, investigation and documentation of high risk indicators and potentially suspicious activity, and well-supported conclusions.

(2) The BSA Officer or their designee(s) shall monitor for higher-risk customers, including those customers' transactions and related accounts, to determine whether activity is consistent with the purpose of the customer relationship and the customer's risk profile. The BSA Officer or their designee(s) shall keep customer profiles updated as defined in the Bank's BSA/AML policy.

ARTICLE IX

SUSPICIOUS ACTIVITY MONITORING AND REPORTING

(1) Within ninety (90) days of the date of this Agreement, the Board shall ensure the Bank develops, implements, and thereafter adheres to an acceptable, written program to ensure the timely and appropriate review and disposition of suspicious activity alerts and case investigations and the filing of suspicious activity reports ("SAR") consistent with 12 C.F.R. § 21.11 ("Suspicious Activity Monitoring and Reporting Program"). At a minimum, this written program shall:

- (a) establish and implement a formal process that ensures sufficient information is collected on Bank customers and transactions to be able to effectively identify and report suspicious activity;
- (b) include procedures for identifying, evaluating, and reporting suspicious activity, known or suspected violations of Federal law, violations of the BSA, terrorist financing and other illicit financial activity, or suspicious transactions related to potential money laundering activity, including suspicious activity relating to the opening of new accounts, the monitoring of existing accounts, and transactions through the Bank;
- (c) include standards for identifying, escalating, and dispositioning different types of alerts and case investigations;
- (d) provide for maintenance of adequate documentation to support the disposition of alerts and case investigations;
- (e) require BSA/AML staff to consider appropriate CDD information when conducting alert reviews and case investigations;
- (f) ensure the Bank has an effective SAR decision-making process and that it documents individual decisions on whether to file SARs, and the key facts and circumstances supporting each decision to not file a SAR; and
- (g) ensure that the standards in this Paragraph are communicated in writing to relevant staff and are adhered to by the staff.

(2) The Board shall ensure the Bank develops and implements a system for validating the Bank's BSA/AML monitoring systems, which shall include:

- (a) validation of the data inputs for the monitoring systems, which shall include inputs from all products, services, and transactions;
- (b) development and implementation of a process for periodically assessing the effectiveness of filters, parameters and rules used by the suspicious activity monitoring system;
- (c) sufficient management information systems and metrics to validate monitoring system settings and thresholds, and to measure the effectiveness of the monitoring system and individual scenarios and adjust the system, consistent with the Bank's money laundering, terrorist financing and other illicit financial activity risk profile and operations, as necessary;
- (d) maintenance of documentation supporting the Bank's methodology for establishing and adjusting thresholds and filters;
- (e) processes for ongoing, risk-based independent validation of alert triggers, parameters, and other settings, including factors for developing a customer risk profile; and
- (f) as applicable, processes for developing adequate documentation and prompt reporting of validation findings and prompt resolution of deficiencies identified during model validation. Refer to guidance in OCC Bulletin 2011-12, "Supervisory Guidance on Model Risk Management," OCC Bulletin 2021-19, "Bank Secrecy Act/Anti-Money Laundering: Interagency Statement on Model Risk Management for Bank Systems

Supporting BSA/AML Compliance,” and the “Model Risk Management” booklet of the *Comptroller’s Handbook* on for more information.

(3) The Board shall review the effectiveness of the Suspicious Activity Monitoring and Reporting Program periodically, at a minimum annually, and amend the Suspicious Activity Monitoring and Reporting Program as needed or directed by the OCC.

ARTICLE X

SUSPICIOUS ACTIVITY REVIEW “LOOK-BACK”

(1) Within thirty (30) days of the date of this Agreement, the Bank shall submit to the Assistant Deputy Comptroller, for review and prior written determination of no supervisory objection, an action plan (“Action Plan”) to conduct a review and provide a written report of the Bank’s suspicious activity monitoring (“SAR Look-Back”). The purpose of the SAR Look-Back is to determine whether SARs should be filed for any previously unreported suspicious activity pursuant to 12 C.F.R. § 21.11. The scope of the SAR Look-Back shall include all alerts deemed “investigated, suspicious, or fraud” over the previous twelve-month period.

(2) Upon receipt of no supervisory objection to the Action Plan, the Bank shall implement the Action Plan and complete the SAR Look-Back within the proposed timeframe. Upon completion of the SAR Look-Back, the Bank shall provide a report to the Board, with a copy to the OCC, of any previously unreported suspicious activity identified during the SAR Look-Back and file SARs in accordance with 12 C.F.R. § 21.11. The SAR Look-Back report should also describe:

- (a) the methodologies and tools used in conducting the review;
- (b) the process for investigating customers and customer activities;

- (c) the number and types of customers and accounts reviewed;
 - (d) the number of customers that warranted SAR filings or modifications to existing SAR filings; and
 - (e) the number of customers where the Bank determined not to file a SAR.
- (3) Based upon the results of the SAR Look-Back, the OCC, at its sole discretion, may expand the scope and period of the SAR Look-Back.

ARTICLE XI

GENERAL BOARD RESPONSIBILITIES

(1) The Board shall ensure the Bank has timely adopted and implemented all corrective actions required by this Agreement, and shall verify that the Bank adheres to the corrective actions and that they are effective in addressing the Bank's deficiencies that resulted in this Agreement.

(2) In each instance in which this Agreement imposes responsibilities upon the Board, it is intended to mean that the Board shall:

- (a) authorize, direct, and adopt corrective actions on behalf of the Bank as may be necessary to perform the obligations and undertakings imposed on the Board by this Agreement;
- (b) ensure that the Bank has sufficient processes, management, personnel, control systems, and corporate and risk governance to implement and adhere to all provisions of this Agreement;
- (c) require that Bank management and personnel have sufficient training and authority to execute their duties and responsibilities pertaining to or resulting from this Agreement;

- (d) hold Bank management and personnel accountable for executing their duties and responsibilities pertaining to or resulting from this Agreement;
- (e) require appropriate, adequate, and timely reporting to the Board by Bank management of corrective actions directed by the Board to be taken under the terms of this Agreement; and
- (f) address any noncompliance with corrective actions in a timely and appropriate manner.

ARTICLE XII

OTHER PROVISIONS

(1) As a result of this Agreement, pursuant to 12 C.F.R. § 5.51(c)(7)(ii), the Bank is in “troubled condition,” and is not an “eligible bank” for purposes of 12 C.F.R. § 5.3 or 12 C.F.R. § 24.2(e), unless otherwise informed in writing by the OCC.

(2) This Agreement supersedes all prior OCC communications issued pursuant to 12 C.F.R. §§ 5.3, 5.51(c)(7)(ii), and 24.2(e)(4).

ARTICLE XIII

CLOSING

(1) This Agreement is intended to be, and shall be construed to be, a “written agreement” within the meaning of 12 U.S.C. § 1818, and expressly does not form, and may not be construed to form, a contract binding on the United States, the OCC, or any officer, employee, or agent of the OCC. 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 officer, employee, or agent of the OCC 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, employee, or agent of any of those entities to a contract affecting the OCC's exercise of its supervisory responsibilities.

(2) This Agreement is effective upon its issuance by the OCC, through the Comptroller's duly authorized representative. Except as otherwise expressly provided herein, all references to "days" in this Agreement shall mean calendar days and the computation of any period of time imposed by this Agreement shall not include the date of the act or event that commences the period of time.

(3) The provisions of this Agreement shall remain effective and enforceable except to the extent that, and until such time as, such provisions are amended, suspended, waived, or terminated in writing by the OCC, through the Comptroller's duly authorized representative. If the Bank seeks an extension, amendment, suspension, waiver, or termination of any provision of this Agreement, the Board or a Board-designee shall submit a written request to the Assistant Deputy Comptroller asking for the desired relief. Any request submitted pursuant to this paragraph shall include a statement setting forth in detail the special circumstances that warrant the desired relief or prevent the Bank from complying with the relevant provision(s) of the Agreement, and shall be accompanied by relevant supporting documentation. The OCC's decision concerning a request submitted pursuant to this paragraph, which will be communicated to the Board in writing, is final and not subject to further review.

(4) The Bank will not be deemed to be in compliance with this Agreement until it has adopted, implemented, and adhered to all of the corrective actions set forth in each Article of this

Agreement; the corrective actions are effective in addressing the Bank's deficiencies; and the OCC has verified and validated the corrective actions. An assessment of the effectiveness of the corrective actions requires sufficient passage of time to demonstrate the sustained effectiveness of the corrective actions.

(5) Each citation, issuance, or guidance referenced in this Agreement includes any subsequent citation, issuance, or guidance that replaces, supersedes, amends, or revises the referenced cited citation, issuance, or guidance.

(6) No separate promise or inducement of any kind has been made by the OCC, or by its officers, employees, or agents, to cause or induce the Bank to enter into this Agreement.

(7) All reports, plans, or programs submitted to the OCC pursuant to this Agreement shall be forwarded via email to the Assistant Deputy Comptroller.

(8) 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 as his duly authorized representative, has hereunto set her signature on behalf of the Comptroller.

//s// Digitally Signed, Dated: 2023.07.11

Laura Johnson, Assistant Deputy Comptroller
Office of the Comptroller of the Currency
New York Office

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

<hr/> <i>/s/</i>	<hr/> 06/29/23
Mir Sabbir Ahmed	Date
<hr/> <i>/s/</i>	<hr/> 6/30/23
Anthony Amato	Date
<hr/> <i>/s/</i>	<hr/> 6/28/23
Margaret Caiati	Date
<hr/> <i>/s/</i>	<hr/> 6/29/23
Steven T. Cornell	Date
<hr/> <i>/s/</i>	<hr/> 6/29/23
Kevin L. Dumas	Date
<hr/> <i>/s/</i>	<hr/> 6/29/23
Thaddeus Gray	Date
<hr/> <i>/s/</i>	<hr/> 6/30/23
James Koneazny	Date
<hr/> <i>/s/</i>	<hr/> 6/29/2023
Michael Lynch	Date
<hr/> <i>/s/</i>	<hr/> 6/29/2023
Russell Riva, Jr.	Date
<hr/> <i>/s/</i>	<hr/> 6/29/23
Kate Ward	Date
<hr/> <i>/s/</i>	<hr/> 6/28/23
Richard D. Wardell	Date