UNITED STATES OF AMERICA
Before the
OFFICE OF THRIFT SUPERVISION

In the Matter of	Order No.: CN 07-07
PLATINUM COMMUNITY BANK	Effective Date: December 20, 2007
Rolling Meadows, Illinois OTS Docket No. 15590	

ORDER TO CEASE AND DESIST

WHEREAS, Platinum Community Bank, Rolling Meadows, Illinois, OTS Docket No. 15590 (Savings Association), by and through its board of directors (Board) has executed a Stipulation and Consent to Issuance of an Order to Cease and Desist (Stipulation); and

WHEREAS, Savings Association, by executing the Stipulation, has consented to the issuance of this Order to Cease and Desist (Order) by the Office of Thrift Supervision (OTS) pursuant to 12 U.S.C. § 1818(b); and

WHEREAS, pursuant to delegated authority, the OTS Regional Director for the Central Region (Regional Director), is authorized to issue consent orders on behalf of OTS where a savings association has consented to the issuance of the order.

NOW, THEREFORE, IT IS ORDERED that:

The Savings Association and its directors, officers, employees, and agents shall cease and desist from any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling, aiding or abetting of any unsafe or unsound practice detailed in the July 30, 2007 Report of Examination (ROE) or any violation of:

1. 12 C.F.R. § 560.101, pertaining to real estate lending standards;
2. 12 C.F.R. § 560.172, pertaining to the re-evaluation of real estate owned; and
3. 12 C.F.R. Part 570, Appendix A, Section II.A.3., pertaining to timely and accurate filing of financial, operational and regulatory reports.

Asset Quality.

4. As of the effective date of this Order, on at least a quarterly basis, beginning with the quarter ending December 31, 2007, the Board shall ensure that management obtains an independent third-party valuation of any existing balance in the Savings Association's held-for-sale (HFS) mortgage loan portfolio.

5. As of the effective date of this Order, the Board shall conform to the Statement of Financial Accounting Standards No. 114 (Accounting by Creditors for Impairment of a Loan) in transferring any HFS whole mortgage loan to the Savings Association's held-for-investment mortgage loan portfolio.

6. As of the effective date of this Order, the Savings Association shall utilize, in preparing its quarterly Thrift Financial Report submissions, at a minimum, the following elements in calculating its HFS mortgage loan portfolio: i) the quarterly independent third-party evaluation of the HFS mortgage loan portfolio required pursuant to Paragraph 4 of this Order, ii) the accounting practices set forth under the Statement of Financial Accounting Standards No. 65 (Accounting for Certain Mortgage Banking Activities); and iii) other appropriate regulatory publications and guidance concerning the valuation of HFS mortgage loans.

7. As of the effective date of this Order, the Board shall ensure that management adheres to the Savings Association's policies and procedures designed to comply with Financial Accounting Standards Board Financial Interpretation No. 45 and establish allowances sufficient to address estimated losses as outlined in the ROE.

8. (a) Within 45 days of the effective date of this Order, the Board shall develop and approve procedures to determine which assets shall be subject to adverse classification or criticism; at a minimum, those adversely classified assets shall include unsold, uncommitted HFS mortgage loans that are projected to be held for an indefinite period of time.

(b) Within 2 days of the approval of the procedures required by this paragraph, a copy of the procedures shall be forwarded to the Regional Director for review and comment. The Board shall revise the procedures within 14 days of receiving the Regional Director's comments, if any and implement the revised procedures within 30 days thereafter.

9. Within 75 days of the effective date of this Order, the Board shall develop, adopt and implement a detailed plan to reduce those assets subject to adverse classification identified through procedures required by Paragraph 8 of this Order.

10. Within 75 days of the effective date of this Order, the Board shall revise the Savings Association's current policies and procedures to ensure that Real Estate Owned (REO) properties are evaluated consistent with the requirements contained at 12 C.F.R. § 560.172.

11. As of the effective date of this Order, the Savings Association shall no longer make any of the following:

a) Loans with a loan-to-value ratio of ninety (90) percent or greater;

b) Loans to any applicant with a credit score of 660 or below;

c) Alt-A loans, as defined within the OTS Examination Handbook at Section 750;

d) Interest-only loans; and

e) Loans to be maintained within the Savings Association's HFS portfolio.

Management.

12. (a) Within 45 days of the effective date of this Order, the Board shall revise the Savings Association's current business plan (Business Plan), which shall take into consideration the findings and requirements contained within the ROE.

(b) Within 2 days of the revisions to the Business Plan required by this paragraph, a copy of the Business Plan shall be forwarded to the Regional Director for review and comment. The Board shall revise the Business Plan within 14 days of receiving the Regional Director's comments, if any and implement the revised Business Plan within 30 days thereafter.

(c) On a quarterly basis, beginning with the quarter ending March 31, 2008, the Board shall compare projected operating results contained within the Business Plan to actual results. Additionally, as part of the variance analysis required pursuant to this subparagraph, the Board shall determine any material deviations between the projections contained in the Business Plan and actual results. The Board shall prepare a report describing any material deviations between the projections contained in the Business Plan and actual results.

(d) Within 45 days of the close of each quarter, the Board shall provide the Regional Director with a copy of the variance analysis report required by this paragraph.

13. Within 75 days of the effective date of this Order, the Board shall develop, adopt and implement comprehensive written policies that establish appropriate limits and standards for

extensions of credit secured by real estate, consistent with the requirements set forth at 12 C.F.R. §§ 560.101(a) and 560.101(b).

14. Within 45 days of the effective date of this Order, the Board shall develop, adopt and implement procedures for ensuring that the Savings Association's quarterly Thrift Financial Reports are filed accurately and completely, as required under 12 C.F.R. Part 570, Appendix A.

15. As of the effective date of this Order, the Board shall ensure that the Savings Association have and maintain qualified management to address the issues contained within the ROE.

Sensitivity to Market Risk.

16. Within 75 days of the effective date of this Order, the Board shall amend the Savings Association's current Asset/Liability Management Policy to achieve compliance with Thrift Regulatory Bulletin 13a as described in the ROE.

Effective Date, Incorporation of Stipulation.

17. This Order is effective on the Effective Date as shown on the first page. The Stipulation is made a part hereof and is incorporated herein by this reference.

Duration.

18. The Order shall remain in effect until terminated, modified or suspended, by written notice of such action by OTS, acting by and through its authorized representatives.

Time Calculations.

19. (a) Calculation of time limitations for compliance with the terms of this Order run from the Effective Date and shall be calendar based, unless otherwise noted; and

(b) The Regional Director may extend any of the deadlines set forth in the provisions of this Order upon written request by the Savings Association that includes reasons in support for any such extension. Any OTS extension shall be made in writing and sent to the Savings Association.

Submissions and Notices.

20. (a) All submissions, including progress reports, to the OTS that are required by or contemplated by this Order shall be submitted within the specified timeframes;

(b) Except as otherwise provided herein, all submissions, requests, communications, consents or other documents relating to this Order shall be in writing and sent by first class U.S. mail (or by reputable overnight carrier, electronic facsimile transmission or hand delivery by messenger) addressed as follows:

(i) To OTS:

Thomas A. Barnes, Regional Director

Office of Thrift Supervision, U.S. Department of the Treasury

1 South Wacker Drive, Suite 2000

Chicago, Illinois 60606

Facsimile: (312) 917-5001

(ii) To Savings Association:

Attention: William W. Giambrone, Chairman of the Board

Platinum Community Bank

2915 West Kirchoff Road

Rolling Meadows, Illinois 60008

Facsimile: (847) 797-8140

<u>No Violations Authorized</u>.

21. Nothing in this Order or the Stipulation shall be construed as allowing Savings Association, its Board, officers or employees to violate any law, rule, regulation.

IT IS SO ORDERED.

OFFICE OF THRIFT SUPERVISION

By: /s/
Thomas A. Barnes
Regional Director, Central Region

Date: See Effective Date on page 1

UNITED STATES OF AMERICA
Before the
OFFICE OF THRIFT SUPERVISION

In the Matter of	)	Order No.: CN 07-07
PLATINUM COMMUNITY BANK	)	Effective Date: December 20, 2007
Rolling Meadows, Illinois OTS Docket No. 15590	)	

STIPULATION AND CONSENT TO ISSUANCE OF AN ORDER TO CEASE AND DESIST

WHEREAS, the Office of Thrift Supervision (OTS), acting by and through its Regional Director for the Central Region (Regional Director), and based upon information derived from the exercise of its regulatory and supervisory responsibilities, has informed Platinum Community Bank, Rolling Meadows, Illinois, OTS Docket No. 15590 (Savings Association) that OTS is of the opinion that grounds exist to initiate an administrative proceeding against Savings Association pursuant to 12 U.S.C. § 1818(b);

WHEREAS, the Regional Director, pursuant to delegated authority, is authorized to issue cease and desist orders where a savings association has consented to the issuance of the order; and

WHEREAS, Savings Association desires to cooperate with OTS to avoid the time and expense of such administrative proceedings and, without admitting or denying that such grounds exist, but only admitting the statements and conclusions in Paragraph 1 below concerning Jurisdiction, hereby stipulates and agrees to the following terms:

1. Jurisdiction.

(a) Savings Association is a "savings association" within the meaning of 12 U.S.C. § 1813(b) and 12 U.S.C. § 1462(4). Accordingly, Savings Association is "an insured depository institution" as that term is defined in 12 U.S.C. § 1813(c).

(b) Pursuant to 12 U.S.C. § 1813(q), the Director of OTS is the "appropriate Federal Banking agency" with jurisdiction to maintain an administrative enforcement proceeding against a savings association. Therefore, Savings Association is subject to the authority of OTS to initiate and maintain an administrative cease-and-desist proceeding against it pursuant to 12 U.S.C. § 1818(b).

2. OTS Findings of Fact.

Based on its July 30, 2007 examination of Savings Association, OTS finds Savings Association has engaged in unsafe and unsound banking practices and/or has failed to comply with the requirements of various laws and regulations including:

(a) 12 C.F.R. § 560.101, pertaining to real estate lending standards;

(b) 12 C.F.R. § 560.172, pertaining to the re-evaluation of real estate owned; and

(c) 12 C.F.R. Part 570, Appendix A, Section II.A.3., pertaining to timely and accurate filing of financial, operational and regulatory reports.

3. Consent.

Savings Association consents to the issuance by OTS of the accompanying Order to Cease and Desist (Order). Savings Association further agrees to comply with the terms of the Order and stipulates that the Order complies with all requirements of law.

4. **Finality.**

The Order is issued by OTS under 12 U.S.C. § 1818(b) and upon the Effective Date it shall be a final order, effective and fully enforceable by OTS under the provisions of 12 U.S.C. § 1818(i).

5. **Waivers.**

Savings Association waives the following:

(a) The right to be served with a written notice of OTS's charges against it as provided by 12 U.S.C. § 1818(b) and 12 C.F.R. Part 509;

(b) The right to an administrative hearing of OTS's charges as provided by 12 U.S.C. § 1818(b) and 12 C.F.R. Part 509;

(c) The right to seek judicial review of the Order, including, without limitation, any such right provided by 12 U.S.C. § 1818(h), or otherwise to challenge the validity of the Order; and

(d) Any and all claims against OTS, including its employees and agents, and any other governmental entity for the award of fees, costs, or expenses related to this OTS enforcement matter, whether arising under common law, federal statutes or otherwise.

6. **OTS Authority Not Affected.**

Nothing in this Stipulation or accompanying Order shall inhibit, estop, bar or otherwise prevent OTS from taking any other action affecting Savings Association if at any time OTS deems it appropriate to do so to fulfill the responsibilities placed upon OTS by law.

7. **Other Governmental Actions Not Affected.**

Savings Association acknowledges and agrees that its consent to the issuance of the Order is solely for the purpose of resolving the matters addressed herein, consistent with

Paragraph 6 above, and does not otherwise release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against, or liability of the Savings Association that arise pursuant to this action or otherwise, and that may be or have been brought by any other governmental entity other than OTS.

8. Miscellaneous.

(a) The laws of the United States of America shall govern the construction and validity of this Stipulation and of the Order;

(b) If any provision of this Stipulation and/or the Order is ruled to be invalid, illegal, or unenforceable by the decision of any Court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby, unless the Regional Director in his or her sole discretion determines otherwise;

(c) All references to OTS in this Stipulation and the Order shall also mean any of the OTS's predecessors, successors, and assigns;

(d) The section and paragraph headings in this Stipulation and the Order are for convenience only and shall not affect the interpretation of this Stipulation or the Order;

(e) The terms of this Stipulation and of the Order represent the final agreement of the parties with respect to the subject matters thereof, and constitute the sole agreement of the parties with respect to such subject matters; and

(f) The Stipulation and Order shall remain in effect until terminated, modified, or suspended in writing by OTS, acting through its Regional Director or other authorized representative.

9. Signature of Directors/Board Resolution.

Each Director signing this Stipulation attests that he or she voted in favor of a Board

Resolution authorizing the consent of the Savings Association to the issuance of the Order and the execution of the Stipulation. This Stipulation may be executed in counterparts by the directors after approval of execution of the Stipulation at a duly called board meeting. A copy of the Board Resolution authorizing execution of this Stipulation shall be delivered to OTS, along with the executed original(s) of this Stipulation.

WHEREFORE, Savings Association, by authority of its Board of Directors, executes this Stipulation.

Accepted by:

PLATINUM COMMUNITY BANK
Rolling Meadows, Illinois

By: /s/
William W. Giambrone, Chairman of the Board, Chief Executive Officer and Director

/s/
Michael J. Linsner, President and Director

/s/
Michael C. Giambrone, Secretary and Director

/s/
William L. Anderson, Director

/s/
John F. Kulczewski, Director

/s/
John A. Skryd, Sr., Director

OFFICE OF THRIFT SUPERVISION

/s/
Thomas A. Barnes
Regional Director, Central Region

Date: See Effective Date on Page 1