

AGREEMENT BY AND BETWEEN

**Sherman Financial Group LLC
and
The Office of the Comptroller of the Currency**

WHEREAS, pursuant to 12 C.F.R. § 5.50, any person seeking to acquire control of a national bank shall provide 60 days' prior notice of a change in control to the Office of the Comptroller of the Currency ("OCC");

WHEREAS, Sherman Financial Group LLC ("Sherman"), a Delaware limited liability company has submitted a notice ("Change in Control Notice") to the OCC to acquire control of First National Bank of Marin, Las Vegas, Nevada (the "Bank");

WHEREAS, Sherman intends to acquire more than ninety percent (90%) of the issued and outstanding shares of Marin National Bancorp, and, thereby, acquire control of the Bank, which is a national bank chartered by the OCC and wholly-owned by Marin National Bancorp;

WHEREAS, Sherman and the OCC seek to ensure that the Bank, and each company that from time to time is an operating subsidiary of the Bank, will operate in a safe and sound manner and in accordance with all applicable laws, rules, regulations and a Consent Order issued by the OCC on or about May 24, 2004.

WHEREAS, Sherman and the OCC seek to enter into an agreement outlining the measures that Sherman will take to ensure that the Bank, and each company that from time to time is an operating subsidiary of the Bank, will operate in a safe and sound manner and in accordance with all applicable laws, rules, regulations and the Consent Order.

NOW, THEREFORE, in consideration of the above premises, the OCC and Sherman, by and through its duly elected representative, agree as follows ("Agreement"):

ARTICLE I
JURISDICTION

(1) Sherman is an “institution-affiliated party” (“IAP”) of the Bank within the meaning of 12 U.S.C. § 1813(u)(1).

(2) This Agreement shall be construed to be a “written agreement entered into with the agency” within the meaning of 12 U.S.C. § 1818(b)(1).

(3) This Agreement shall be construed to be a “written agreement” within the meaning of 12 U.S.C. § 1818(u)(1)(A).

(4) This Agreement shall not be construed to be a “written agreement” within the meaning of 12 C.F.R. § 6.4.

(5) All correspondence related to this Agreement, and any information, documentation, reports, plans and/or other written submissions which Sherman has agreed to submit pursuant to this Agreement shall be forwarded, by overnight mail, to:

EIC – FNB Marin
Office of the Comptroller of the Currency
2350 Market Street, Suite 100
St. Louis, MO 63103

Office of the Comptroller of the Currency
Mail Stop 6-4
250 E Street, S.W.
Washington, DC 20219

with copies sent by overnight mail to:

Assistant Deputy Comptroller
Credit Card Bank Supervision
1117 Perimeter Center West
Suite W401
Atlanta, GA 30338

(6) The OCC may, by thirty (30) days written notice, change the OCC’s designated recipients listed in paragraph (5) of this Article.

ARTICLE II
OPERATING AGREEMENT

(1) No later than one (1) business day after Sherman acquires control of the Bank, Sherman shall cause the Bank to enter into a written agreement with the OCC (“Operating Agreement”), in the form attached hereto as Appendix A. After the Bank enters into the Operating Agreement with the OCC, Sherman shall take all necessary actions to ensure the Bank’s compliance with the Operating Agreement.

ARTICLE III
CAPITAL ASSURANCE AND LIQUIDITY MAINTENANCE AGREEMENT

(1) No later than two (2) business days after Sherman acquires control of the Bank, Sherman shall execute a Capital Assurance and Liquidity Maintenance Agreement (“CALMA”) with the Bank, in the form attached hereto as Appendix B. After execution of the CALMA, Sherman will comply with the CALMA and ensure that the Bank complies with the CALMA.

(2) At all times while the CALMA is in effect, Sherman shall maintain shareholders’ equity of not less than \$75,000,000.

(3) Sherman shall notify the Bank and the OCC in writing within five (5) calendar days after discovery of any material change(s) to the financial condition of Sherman which adversely affect its ability to comply with its obligations under the CALMA. For purposes of this Paragraph, “material” shall have the same meaning accorded to that term in Securities and Exchange Commission Staff Accounting Bulletin No. 99 on Materiality. Provided, however, that notification to the OCC pursuant to this paragraph is required if there is any reduction in the shareholders’ equity of Sherman below the amount of \$75,000,000.

ARTICLE IV
CONCLUDING PROVISIONS

(1) This Agreement shall become effective on the 25th day of February, 2005 (“effective date”), and shall remain in full force and effect until such time as: (i) Sherman (or any of its affiliates) ceases to own or control the Bank for the purposes of 12 C.F.R. § 5.50; (ii) Sherman ceases to be an IAP of the Bank pursuant to 12 U.S.C. § 1813(u) and Paragraph (1) of Article I of this Agreement; or (iii) the OCC, in a written notice to Sherman, indicates that the Agreement is no longer required.

(2) It is expressly understood that if, at any time, the OCC deems it appropriate in fulfilling the responsibilities placed upon it by the several laws of the United States of America to undertake any action affecting the Bank, or each company that from time to time is an operating subsidiary of the Bank, nothing in this Agreement shall in any way inhibit, estop, bar or otherwise prevent the OCC from so doing.

(3) Any time limitations imposed by this Agreement shall begin to run from the effective date. Such time requirements may be extended in writing by the OCC for good cause upon written application by Sherman.

(4) This Agreement may be amended only by mutual consent of Sherman and the OCC.

(5) This Agreement expressly does not form, and may not be construed to form, a contract binding on the OCC or the United States. Notwithstanding the absence of mutuality of obligation, or of consideration, or of a contract, the OCC may enforce any of the commitments or obligations herein undertaken by Sherman under its supervisory powers, including 12 U.S.C. § 1818(b)(1), and not as a matter of contract law. Sherman expressly acknowledges that neither Sherman nor the OCC has any intention to enter into a contract. Sherman also expressly acknowledges that no OCC officer or employee has statutory or other authority to bind the

United States, the U.S. Treasury Department, the OCC, or any other federal bank regulatory agency, or entity, or any officer or employee of any of those entities to a contract affecting the OCC's exercise of its supervisory responsibilities.

(6) This Agreement constitutes the entire agreement of the parties with regard to the specific subject matter hereof and supersedes all prior written and/or oral understandings between the parties.

(7) This Agreement may be executed in counterparts, each of which shall be considered an original and all of which together shall constitute one and the same instrument. Executed copies of this Agreement may be delivered by facsimile transmission or other comparable means.

(8) The headings and section references contained herein are included solely for ease of reference and in no way shall limit, expand or otherwise affect either the substance or construction of the terms and conditions of this Agreement or the intent of the parties hereto.

IN WITNESS WHEREOF, the undersigned, authorized by the Comptroller, has hereunto set her hand on behalf of the Comptroller.

/s/ Jennifer C. Kelly
Jennifer C. Kelly
Deputy Comptroller
Midsized and Credit Card Bank Supervision

2/25/05
Date

IN WITNESS WHEREOF, the undersigned, as a duly appointed and authorized officer of Sherman, has hereunto set his/her hand on behalf of Sherman.

/S/ Benjamin W. Navarro

2/24/05
Date

Exhibit A

SHERMAN FINANCIAL GROUP LLC

Resolutions Adopted by the Board of Managers by Written Consent

AUTHORIZATION TO ENTER INTO CERTAIN AGREEMENTS IN CONNECTION WITH THE ACQUISITION OF MARIN NATIONAL BANCORP

WHEREAS, management of the Company has provided the board with the business rationale to enter into a series of transactions that would result in MBHC, LLC (“MBHC”), a wholly owned subsidiary of the Company, purchasing all of the issued and outstanding stock of Marin National Bancorp (“MNBC”), the sole shareholder of the First National Bank of Marin (“FNBM”) (such transactions herein referred to as the “Share Purchase”);

WHEREAS, the company, pursuant to authority granted to its management by previous resolution of the Board, has entered into a Stock Purchase Agreement dated as of October 6, 2004 between the Company, MBHC, FNMB and the principal shareholders of FNMB (the “Stock Purchase Agreement”), and certain ancillary transactions;

WHEREAS, in accordance with the foregoing, the Board believes that it is in the best interests of the Company to enter into the Share Purchase and, in connection therewith, for the Company to enter into (i) an Agreement between the Company and the Office of the Comptroller of the Currency, outlining the measures that the Company will take to ensure that FNBM will operate in a safe and sound manner and in accordance with all applicable laws, rules, regulations and consent orders (the “OCC Agreement”), (ii) a Capital Assurance and Liquidity Maintenance Agreement between the Company and FNBM (the “CALMA”), (iii) an Installment Notes Agreement between the Company, MBHC and the principal shareholders of MNBC (the “Installment Notes Agreement”) and (iv) a Guaranty by the Company of the obligations of MHC Receivables under the Receivables Purchase Agreement to be entered into by MHC Receivables and FNBM (the “MHC Guaranty”);

NOW, THEREFORE, BE IT RESOLVED, that (i) the OCC Agreement, the CALMA, the Installment Notes Agreement and the MHC Guaranty (together, the “Closing Agreements”), a summary of which has been provided to the Managers; (ii) the transactions contemplated by the Closing Agreements, and the obligations undertaken by the Company pursuant to the Closing Agreements; and (iii) all other transactions ancillary

to the aforesaid Closing Agreements be, and the same hereby are, authorized, ratified and approved; and

RESOLVED, that the negotiation, execution and delivery by any one of the following individuals, acting alone;

Benjamin W. Navarro
Scott E. Silver
S. Christopher Jones
Brett A. Hildebrand

(each an “Authorized Representative” and, collectively, the “Authorized Representatives”) of the Company, for and in the name and on behalf of the Company, of any Closing Agreement and of all instruments, agreements, certificates and other documents required to be executed and delivered in order to effectuate the transactions contemplated by any Closing Agreement, are hereby ratified, confirmed and approved as the act and deed of the Company, together with such changes, additions, deletions and modifications as the Authorized Representative executing the same may have approved, such approval to be conclusively evidenced by the execution and delivery thereof by such Authorized Representative; and

RESOLVED, that the Authorized Representatives be, and each hereby is, authorized for and in the name and on behalf of the Company to perform all the Company’s obligation and to exercise its rights under the Closing Agreements and under each agreement executed pursuant to the above resolutions.

EXECUTION IN COUNTERPARTS

RESOLVED, that this Consent Action may be signed in separate written counterparts which together shall constitute one and the same document, effective for all purposes as of the date written below.

SHERMAN FINANCIAL GROUP LLC

Secretary's Certificate

I, Scott E. Silver, Director and Secretary of Sherman Financial Group LLC, a Delaware LLC (the "Company"), DO HEREBY CERTIFY THAT:

Attached hereto as Exhibits A is true, complete and correct copies of certain resolutions of the Board of Managers of the Company, which resolutions were duly and validly adopted by the Board of Managers by written consent on February 24, 2005. All such resolutions are in full force and effect on the date hereof in the form in which adopted.

IN WITNESS WHEREOF, the Company has caused this Certificate to be executed on its behalf by the undersigned on and as of the 24th day of February 2005.

Signed

Name: Scott E. Silver
Title: Director and Secretary

I, Laura Schaible, a Director of the Company, DO HEREBY CERTIFY THAT Scott Silver is the duly elected or appointed, qualified and acting Secretary of the Company, and the signature set forth above is the genuine signature of such officer.

Signed

Name: Laura Schaible
Title: Director