

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“Agreement”) is made as of this ___ day of January, 2012 (the “Effective Date”) by, between, and among the following Parties:

The Federal Deposit Insurance Corporation, in its capacity as receiver of Pinehurst Bank (“FDIC-R”), and Pinehurst Bancorp, Inc. (“Pinehurst”), Roger Amundson, Robert Anderson, Bryan Boldt, Michael Dubes, Richard Joseph, Elizabeth King, Robert A. Kruchoski, Kenneth Robert Lea, John Lohmann, Thomas Lohmann, James McCarthy, Russell Nelson, Cherie Ritter and Todd Streed (collectively, the “Settling Civil Individuals”); John A. Markert and Gregory P. Pederson, (collectively the “Settling Criminal Defendants”) (the Settling Civil Individuals and the Settling Criminal Defendants are sometimes collectively referred to herein as the “Settling Individuals”); and OneBeacon Insurance Company (“OneBeacon”) (individually, the FDIC-R, the Settling Civil Individuals, the Settling Criminal Defendants, and OneBeacon may be referred to herein as “Party” and collectively as the “Parties”).

RECITALS

WHEREAS:

1. Prior to May 21, 2010, Pinehurst Bank (the “Bank”) was a corporation organized under the laws of Minnesota, with its principal place of business in St. Paul, Ramsey County, Minnesota. The Bank was subject to the regulatory authority of the Minnesota Department of Commerce (the “Department”) and the Federal Deposit Insurance Corporation (the “FDIC”).
2. On May 21, 2010, pursuant to Minn. Stat. § 49.04, *et seq.*, the Department closed the Bank and appointed the FDIC-R as its receiver pursuant to 12 U.S.C. § 1821(c), which appointment the FDIC-R accepted.
3. As set forth in and subject to 12 U.S.C. § 1821(d), the FDIC-R succeeded to all rights, titles, powers and privileges of the Bank, including, and subject to and pursuant to and as provided by 12 U.S.C. § 1821(d)(2)(A), certain claims against former directors and officers of the Bank.

4. By way of written correspondence dated April 5, 2011, the FDIC-R made certain claims against the Settling Individuals (the "FDIC Claim"). A true copy of the FDIC Claim is attached hereto as Exhibit 1 and incorporated herein by this reference. In the FDIC Claim, the FDIC alleges, among other things, that the losses for which it is seeking recovery "exceed \$2.7 million."

5. In response to the FDIC Claim, each of the Settling Individuals denies any wrongdoing, negligence, gross negligence, malfeasance, misfeasance, breach of duty, or any other misconduct, including, without limitation, the allegations made by the FDIC in the FDIC Claim, and deny any liability to the FDIC-R.

6. On June 21, 2011, a federal grand jury issued a criminal indictment and on September 21, 2011 a federal grand jury issued two Superseding Indictments against John A. Markert and Gregory P. Pederson, among others, in a criminal proceeding captioned *United States v. John Anthony Markert, Gregory Paul Pederson and George Leslie Wintz, Jr.*, United States District Court, District of Minnesota, Criminal No. 11-200 (ADM/FLN) (the "Criminal Claim"). Markert and Pederson deny that they have committed any crime.

7. OneBeacon issued a "Management and Professional Liability Policy," Number (b)(4) , to Pinehurst Bancorp, Inc. and Pinehurst Bank for the policy period March 1, 2007 to March 1, 2010 (the "Policy"). Among other coverages provided, and subject to all of its terms, exclusions and conditions, the Policy insured directors and officers of the Bank against certain defined liabilities subject to a stated limit of liability. The Policy, subject to all of its terms, exclusions and conditions, generally obligates OneBeacon to pay on behalf of defined "Insured Persons" defined "Loss" which the Insured Persons are legally obligated to pay because of defined "Claims" alleging defined "Wrongful Acts." OneBeacon's monetary obligation under

the Policy, subject to all of its terms, exclusions and conditions, is capped by the Policy limit of \$2 million. Defined "Defense Costs" under the Policy, subject to all of its terms, exclusions and conditions, are included within the definition of "Loss" and are therefore within the Policy limit of \$2 million.

8. The Settling Civil Individuals, sought coverage under the Policy for the FDIC Claim against them. Subject to a full reservation of its rights under the Policy, OneBeacon agreed to reimburse the Settling Civil Individuals for Defense Costs incurred to respond to the FDIC Claim. As of December 11, 2011, OneBeacon has paid \$116,371.89 for Defense Costs of Settling Civil Individuals against the FDIC Claim.

9. The Settling Criminal Defendants also sought coverage under the Policy for the Criminal Claim. Subject to a full reservation of its rights under the Policy, OneBeacon has agreed to advance Defense Costs on behalf of the Settling Criminal Defendants subject to a conditional right of recoupment described in the Policy, subject to all of its terms, exclusions and conditions. As of December 11, 2011, OneBeacon has paid \$242,883.40 for Defense Costs of the Settling Criminal Defendants against the Criminal Claim.

10. Regardless of the merits of either the FDIC Claim or the Criminal Claim, all Parties acknowledge and agree that the Policy's \$2 million limit is insufficient to fund to a conclusion litigation of both the FDIC Claim and the Criminal Claim. The Parties further acknowledge and agree that the FDIC-R faces the prospect of lengthy and expensive litigation with no assurance of a successful result on liability, damages or collectability. Finally, OneBeacon acknowledges that its Policy limits will likely be exhausted either by Defense Costs, judgments, or both and has notified the FDIC-R and the Settling Individuals that unless an agreement is reached regarding allocation of the insurance funds, it intends to interplead the

Policy and insurance funds with a Court of competent jurisdiction for a determination of entitlement to the funds available under the Policy as among the Parties.

11. Recognizing these realities, and as a result of extensive negotiations between and among the FDIC-R, the Settling Individuals, OneBeacon, and the Parties' respective attorneys, the FDIC-R is willing to settle the FDIC Claims against the Settling Individuals in exchange for a fixed payment of \$816,750.00 and other rights granted by this Agreement; the Settling Civil Individuals are willing to limit their claims for payment of Defense Costs arising from the FDIC Claims under the Policy to amounts previously paid by One Beacon in connection with the FDIC Claims plus any unpaid Defense Costs to be paid in connection with the FDIC Claims, said unpaid civil Defense Costs not to exceed \$35,000 in total for all Settling Civil Individuals; and the Settling Criminal Defendants are willing to release their claims under the Policy for payment of Defense Costs arising from the Criminal Claim in exchange for a total payment of Defense Costs capped at the unused remainder of the Policy's \$2,000,000.00 limit after the payment of \$816,750.00 as described above to the FDIC-R and after the payment of Defense Costs incurred by the Settling Civil Individuals as of December 11, 2011 of \$116,371.89 and after payment of unpaid Defense Costs incurred by the Settling Civil Individuals (not to exceed \$35,000, with any unused funds being added to the amounts reserved for the Defense Costs of the Criminal Claim and any amount not used in defense of the Criminal Claim reverting to the FDIC-R), which said total payment of criminal Defense Costs consisting of those amounts previously paid by One Beacon in connection with the Criminal Claim (\$242,883.40 as of December 11, 2011), plus such additional amounts until said unused remainder of the Policy's \$2,000,000.00 limit has been exhausted. Thus, this Agreement exhausts (but does not exceed) the Policy's limit and is reasonably expected to satisfy all presently known claims that have been

tendered to OneBeacon for coverage under the Policy, against all persons known to have rights under the Policy.

12. For the reasons described above, each undersigned Party deems it to be in his, her or its individual best interests to enter into this Agreement in order to fairly and equitably apportion a limited insurance fund in a manner that reasonably accommodates competing claims against it, which in the aggregate greatly exceeds its value, to avoid the uncertainty, trouble, and expense of litigation, to eliminate the Settling Individuals' personal exposure to civil liability to the FDIC-R, and to leave sufficient insurance funds to permit an adequate defense against the Criminal Claim.

13. Based on the foregoing Recitals, the use of the Policy funds contemplated by this Agreement are summarized as follows: Policy Limits \$2,000,000, less \$816,750 payment to FDIC, equals \$1,183,250 remaining in Policy Limits, less \$116,371.89 Settling Civil Individuals Defense Costs Paid as of December 11, 2011, equals \$1,066,878.11 remaining in Policy Limits, less \$35,000 Civil Claim Defense Fund (as defined in Section II below), equals \$1,031,878.11 Criminal Claim Defense Fund (before deduction of Costs of Defense paid in connection with Criminal Claims). As of December 11, 2011 \$242,883.40 has been paid by One Beacon for Defense Costs in connection with the Criminal Claim leaving \$788,994.71 remaining in the Criminal Claim Defense Fund (as defined in Section III below) plus any amounts not used in the Civil Claim Defense Fund. Any Policy residue left after the criminal defense is completed will be paid to the FDIC.

NOW THEREFORE, in consideration of the promises, undertakings, payments, and releases stated herein, the sufficiency of which consideration is hereby acknowledged, the undersigned Parties agree, each with the other, as follows:

I. The FDIC-R Settlement Payment.

A. OneBeacon shall pay to the FDIC-R \$816,750.00 (“the FDIC-R Settlement Payment”).

B. Within 15 days after delivery to OneBeacon of an original copy of this Agreement executed by each of the undersigned Parties to this Agreement, the FDIC-R Settlement Payment shall be delivered to the FDIC-R by direct wire transfer.

C. If the FDIC-R does not receive the FDIC-R Settlement Payment within 15 days after delivery to OneBeacon of an original copy of this Agreement executed by each of the undersigned Parties to this Agreement, the FDIC-R, in its sole discretion, shall have the right at any time to prior to receipt of the FDIC-R Settlement Payment to extend this Agreement for any period of time until it receives the FDIC-R Settlement Payment, or shall have the right to enforce this Agreement against the Settling Individuals and OneBeacon, in which event the Settling Individuals and OneBeacon agree to jurisdiction in Federal District Court in Minnesota for such an enforcement action, and agree to pay all of the FDIC-R’s reasonable attorney’s fees expended in enforcing the terms of this Agreement.

II. The Civil Claim Defense Fund.

A. OneBeacon shall reserve \$35,000 to pay any Defense Costs the Settling Civil Individuals may incur in addition to the amounts already paid by One Beacon as of December 11, 2011 only with respect to the FDIC Claim (the “Civil Claim Defense Fund.”). OneBeacon shall pay Defense Costs in connection with the FDIC Claims from the Civil Claim

Defense Fund until it is exhausted, after which OneBeacon shall have no further obligations under this paragraph. OneBeacon shall have no obligation to allocate the fund between and among Settling Civil Individuals or their counsel, but shall merely adjust and pay their Defense Costs on a first-come, first-served basis until the fund is exhausted. If a dispute arises between or among Settling Civil Individuals or their counsel regarding their respective rights to the fund created by this paragraph, they shall resolve that dispute at their own expense and shall jointly hold OneBeacon harmless from any legal expense it reasonably and necessarily incurs as a result of such dispute.

B. If the Civil Claim Defense Fund is not exhausted by payment of all Defense Costs in connection with the FDIC Claims incurred by the Settling Civil Individuals to the Effective Date of this Agreement and disclosed to OneBeacon within 30 days thereafter, any remaining funds shall be transferred to the Criminal Claim Defense Fund described below.

C. The Settling Civil Individuals acknowledge that the cost of their defense against the FDIC Claim may exceed the amount made available to them under this Agreement and agree that only the Settling Civil Individuals, and no other party to this Agreement, shall be responsible for any such cost of their defense over and above the Civil Claim Defense Fund.

III. The Criminal Claim Defense Fund.

A. OneBeacon shall reserve for the exclusive use of the Settling Criminal Defendants as Defense Costs against the Criminal Claim the residue of the Policy currently consisting of \$788,994.71 (\$1,031,878.11 less \$242,883.40 paid by One Beacon as Defense Costs in connection with the Criminal Claim as of December 11, 2011) plus any unused portion of the Civil Defense Fund described above in Section III (the "Criminal Claim Defense

Fund”). OneBeacon shall pay Defense Costs (as defined in the Policy) from the Criminal Claim Defense Fund until it is exhausted, after which OneBeacon shall have no further obligations under this paragraph. OneBeacon shall have no obligation to allocate the fund between Markert and Pederson, but shall merely adjust and pay their Defense Costs on a first-come, first-served basis until the fund is exhausted. If a dispute arises between Markert and Pederson regarding their respective rights to the fund created by this paragraph, they shall resolve that dispute at their own expense and shall jointly hold OneBeacon harmless from any legal expense it reasonably and necessarily incurs as a result of such dispute.

B. If the Criminal Claim Defense Fund is not exhausted after final judgment on the Criminal Claim is entered as to both Markert and Pederson and all rights of appeal (other than habeas corpus) are exhausted and all Defense Costs incurred to that point are paid in full, any remaining funds shall be paid to the FDIC-R.

C. OneBeacon waives any right to recoup Defense Costs from Markert and Pederson in exchange for the mutual promises and undertakings of the various parties in this Agreement.

D. Markert and Pederson acknowledge that the cost of their defense against the Criminal Claim may exceed the amount made available to them under this Agreement and agree that only Markert and Pederson, and no other party to this Agreement, shall be responsible for any such cost of their defense over and above the Criminal Claim Defense Fund.

IV. Releases.

A. FDIC-R Release of Settling Individuals and Insured Persons.

Effective upon receipt of the FDIC Settlement Payment described in Section I above, the FDIC-R, for itself and its successors and assigns, hereby covenants not to sue the

Settling Individuals and Insured Persons (as defined in the Policy described above in paragraph 7) for, and releases and discharges each of the Settling Individuals and Insured Persons and their respective heirs, executors, administrators, representatives, successors and assigns from, any and all claims, demands, obligations, damages, actions, and causes of action, direct or indirect, in law or in equity, belonging to the FDIC-R that arise from or in any way relate to the performance, nonperformance, or manner of performance of the Settling Individuals' and Insured Persons' respective functions, duties, obligations and/or actions as officers and/or directors of the Bank. The scope of this covenant not to sue and release includes but is not limited to all claims that were made or that could have been made in the FDIC Claim, against all persons, known and unknown, who are Insured Persons under the Policy, but it does not include the Criminal Claim.

Notwithstanding any other provision of this Agreement, the FDIC-R does not release, and expressly preserves fully and to the same extent as if this Agreement had not been executed, any claims or causes of action:

- a. against the Settling Individuals or any other person or entity for liability, if incurred as the maker, endorser or guarantor of any promissory note or indebtedness payable or owed by them to the FDIC-R, the Bank, other financial institutions, or any other person or entity, including without limitation any such claims acquired by the FDIC-R as successor in interest to the Bank or any person or entity other than the Bank;
- b. against any person not expressly released in this Agreement, and which are not expressly released in paragraph A above.

Notwithstanding any other provision, nothing in this Agreement shall be construed or interpreted as limiting, waiving, releasing, or compromising the jurisdiction and authority of the FDIC in the exercise of its supervisory or regulatory capacity or to diminish its

ability to institute administrative proceedings seeking removal, prohibition, or any other administrative enforcement action which may arise by operation of law, rule or regulation.

Notwithstanding any other provision, this Agreement does not purport to waive, or intend to waive, any claims which could be brought by the United States by the U.S. Department of Justice. In addition, the FDIC-R specifically reserves the right to seek court-ordered restitution pursuant to the relevant provisions of the Victim and Witness Protection Act, 18 U.S.C. § 3663, *et seq.*, if appropriate.

B. Settling Individuals' Releases of FDIC-R.

Effective upon receipt of the FDIC Settlement Payment described in Section I above, the Settling Individuals, and their respective heirs, executors, administrators, representatives, successors and assigns hereby release and discharge the FDIC-R and its employees, officers, directors, representatives, successors and assigns, from any and all claims, demands, obligations, damages, actions, and causes of action, direct or indirect, in law or in equity, that arise from or relate to the performance, nonperformance, or manner of performance of their respective functions, duties and actions as officers and/or directors of the Bank

C. Settling Individuals' Releases of Each Other.

Effective upon receipt of the FDIC Settlement Payment described in Section I above, the Settling Individuals, and their respective heirs, executors, administrators, representatives, successors and assigns hereby release and discharge each other from any and all claims, demands, obligations, damages, actions, and causes of action, direct or indirect, in law or in equity, that arise from or relate to the performance, nonperformance, or manner of performance of their respective functions, duties and actions as officers and/or directors of the Bank.

D. FDIC-R Release of OneBeacon.

Effective upon receipt of the FDIC Settlement Payment described in Section I above, the FDIC-R, for itself and its successors and assigns, hereby releases and discharges OneBeacon, its parents, subsidiaries, affiliates and reinsurers, and their respective employees, officers, directors, agents, representatives, successors and assigns, from any and all claims, demands, obligations, damages, actions and causes of action, direct or indirect, in law or in equity, that arise from or relate to the Policy.

E. Settling Individuals' Release of OneBeacon.

Effective upon receipt of the FDIC Settlement Payment described in Section I above and the full execution of this Agreement, the Settling Individuals, on behalf of themselves individually, and their respective heirs, executors, administrators, agents, representatives, successors and assigns, hereby release and discharge OneBeacon, its parents, subsidiaries, affiliates and reinsurers, and their respective employees, officers, directors, agents, representatives, successors and assigns, from any and all claims, demands, obligations, damages, actions and causes of action, direct or indirect, in law or in equity, that arise from or relate to the FDIC-R's claims against the Settling Individuals. The scope of this release includes but is not limited to claims that Settling Individuals have or may have for breach of contract, declaratory relief, bad faith claims denial, other claims handling practices, breach of fiduciary duty, and any other theory of recovery arising from or related to the FDIC-R Claim or the Policy. Settling Individuals acknowledge that after full performance of OneBeacon's obligations under this Agreement, it shall have no further obligations to them under the Policy or otherwise, and Settling Individuals shall have no further rights against it or under the Policy.

F. Markert and Pederson's Release of OneBeacon.

Effective upon OneBeacon's fulfillment of its obligations under Section III above (regarding the Criminal Claim Defense Fund), Markert and Pederson, on behalf of themselves individually, and their respective heirs, executors, administrators, agents, representatives, successors and assigns, hereby release and discharge OneBeacon, its parents, subsidiaries, affiliates and reinsurers, and their respective employees, officers, directors, agents, representatives, successors and assigns, from any and all claims, demands, obligations, damages, actions and causes of action, direct or indirect, in law or in equity, that arise from or relate to the Criminal Claim or the Policy. The scope of this release includes but is not limited to claims that Markert or Pederson have or may have for breach of contract, declaratory relief, bad faith claims denial, other claims handling practices, breach of fiduciary duty, and any other theory of recovery arising from or related to the Criminal Claim or the Policy. Markert and Pederson acknowledge that after full performance of OneBeacon's obligations under this Agreement, it shall have no further obligations to them under the Policy or otherwise, and Markert and Pederson shall have no further rights against it or under the Policy.

G. One Beacon's Release of Settling Individuals

Effective upon receipt of the FDIC Settlement Payment described in Section I above and the full execution of this Agreement, OneBeacon, its parents, subsidiaries, affiliates and reinsurers, and their respective employees, officers, directors, agents, representatives, successors and assigns, hereby release and discharge the Settling Individuals and their respective heirs, executors, administrators, agents, representatives, successors and assigns, from any and all claims, demands, obligations, damages, actions and causes of action, direct or indirect, in law or

in equity, that arise from or relate to the Policy and/or the FDIC-R's claims against the Settling Individuals. The scope of this release includes but is not limited to claims that One Beacon has or may have for breach of contract, declaratory relief, and any other theory of recovery arising from or related to the FDIC-R Claim or the Policy. One Beacon acknowledges that after full performance of Settling Individuals' obligations under this Agreement, Settling Individuals shall have no further obligations to OneBeacon under the Policy or otherwise, and OneBeacon shall have no further rights against them or under the Policy.

H. One Beacon's Release of FDIC-R.

Effective upon receipt of the FDIC Settlement Payment described in Section I above, OneBeacon, for itself and its successors and assigns, hereby releases and discharges FDIC-R, its employees, officers, directors, agents, representatives, successors and assigns, from any and all claims, demands, obligations, damages, actions and causes of action, direct or indirect, in law or in equity, that arise from or relate to the Policy.

V. Waiver of Dividends and Proceeds from Litigation

To the extent, if any, that the Settling Individuals are or were a shareholder of the Bank or its holding company, and by virtue thereof is or may be entitled to a dividend, payment, or other distribution upon resolution of the receivership of the Bank or proceeds in litigation that has been or could be brought against the United States based on or arising out of, in whole or in part, the closing of the Bank, or any alleged acts or omissions by the Federal Home Loan Bank Board, (or its successors), the Office of Thrift Supervision, the Resolution Trust Corporation (or its successors), the FDIC, the Federal Savings and Loan Insurance Corporation Resolution Fund (or its successors), the United States government in connection with Pinehurst Bank, its conservatorship or receivership, the Settling Individuals hereby knowingly assign to the FDIC-R

any and all rights, titles and interest in and to any and all such dividends, payments or other distributions, or such proceeds.

VI. Representations and Acknowledgements.

A. No Admission of Liability. The undersigned Parties each acknowledge and agree that the matters set forth in this Agreement constitute the settlement and compromise of disputed claims, and that this Agreement is not an admission or evidence of liability or coverage by any of them regarding any claim.

B. Execution in Counterparts. This Agreement may be executed in counterparts by one or more of the Parties named herein and all such counterparts when so executed shall together constitute the final Agreement, as if one document had been signed by all Parties hereto, and each such counterpart, upon execution and delivery, shall be deemed a complete original, binding the Party or Parties subscribed thereto upon the execution by all Parties to this Agreement.

C. Binding Effect. Each of the undersigned persons represents and warrants that he, she, or it is a Party hereto or is authorized to sign this Agreement on behalf of the respective Party, and has the full power and authority to bind such Party to each and every provision of this Agreement. This Agreement shall be binding upon and inure to the benefit of the undersigned Parties and their respective heirs, executors, administrators, representatives, successors and assigns.

D. Specific Representations and Warranties. Each Settling Individual that provided financial information to the FDIC-R severally, but not jointly, swears or affirms that financial information they provided to the FDIC-R was true, complete, and accurate at the time of submission. The Settling Individuals expressly acknowledge that, in determining to settle the

claims released herein, the FDIC-R in deciding to execute this Agreement, has reasonably and justifiably relied upon the accuracy of the financial information which the Settling Individuals provided to the FDIC-R the ("Financial Information"). If, in such Financial Information, a Settling Individual failed to disclose any liquid unencumbered assets owned individually by such Settling Individual, such Settling Individual agrees that the FDIC-R, in its sole discretion, may exercise one more of the following remedies: (a) the FDIC-R may declare the release granted to any such offending Settling Individual null and void; (b) the FDIC-R may retain the Settlement Payment; and (c) the FDIC-R may sue any such offending Settling Individual for damages, an injunction and specific performance for breach of this Agreement. The Settling Individuals agree that if, in their Financial Information, they failed to disclose any liquid unencumbered assets owned individually by such Settling Individual, the FDIC-R may reinstate the FDIC-R's claims against any such offending Settling Individual and that any such offending Settling Individual agrees that any statute of limitations applicable to any of the FDIC-R's claims against him or her shall be tolled until such time as the FDIC discovers or should have (in the exercise of reasonable diligence) discovered said failure to disclose.

F. Reasonable Cooperation. The undersigned Parties agree to cooperate in good faith to effectuate all the terms and conditions of this Agreement.

G. Choice of Law and Venue. This Agreement shall be interpreted, construed and enforced according to applicable federal law, or in its absence, the laws of the State of Minnesota. Any suit to enforce the terms of this Agreement shall be commenced in a court within the State of Minnesota.

H. Entire Agreement and Amendments. This Agreement constitutes the entire agreement and understanding between and among the undersigned Parties concerning the

matters set forth herein. This Agreement may not be amended or modified except by another written instrument signed by the Party or Parties to be bound thereby or by their respective authorized attorney(s) or other representative(s).

I. Advice of Counsel. Each Party hereby acknowledges that he, she, or it has consulted with and obtained the advice of legal counsel prior to executing this Agreement, and that this Agreement has been explained to that Party by his, her, or its counsel. The Parties agree that in construing this Agreement all parties shall be deemed to have been equally involved in its drafting.

J. Recitals. The recitals in Paragraphs 1-13 above are integral to and intended to be a part of this Agreement and are expressly incorporated herein by this reference.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by each of them or their duly authorized representatives on the dates hereinafter subscribed.

FEDERAL DEPOSIT INSURANCE CORPORATION, As Receiver for Pinehurst Bank

(b)(6) Date: 2/21/2012

By:

Print Name: JOHN LETTERI

Title: COUNSEL

ONEBEACON INSURANCE COMPANY

Date: _____

By: _____

Print Name: _____

Title: _____

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IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by each of them or their duly authorized representatives on the dates hereinafter subscribed.

FEDERAL DEPOSIT INSURANCE CORPORATION, As Receiver for Pinehurst Bank

Date: _____ By: _____
Print Name: _____
Title: _____

(b)(6) ONEBEACON INSURANCE COMPANY

Date: 3/7/12

By:
Print Name: Theresa A. Gboley
Title: VP Claims

PINEHURST BANCORP, INC.

(b)(6)

Date: 1/27/12

By:



Print Name: THOMAS R. LOHMANN

Title: PRESIDENT

ROGER AMUNDSON

Date: _____

ROGER AMUNDSON

ROBERT ANDERSON

Date: _____

ROBERT ANDERSON

BRYAN BOLDT

Date: _____

BRYAN BOLDT

MICHAEL DUBES

Date: _____

MICHAEL DUBES

RICHARD JOSEPH

Date: _____

RICHARD JOSEPH

PINEHURST BANCORP, INC.

Date: _____

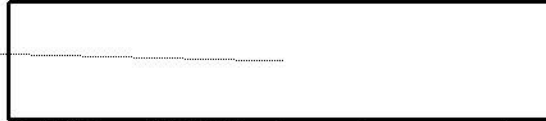
By: _____

Print Name: _____

Title: _____

(b)(6) ROGER AMUNDSON

Date: 2-7-12



~~ROGER AMUNDSON~~

ROBERT ANDERSON

Date: _____

ROBERT ANDERSON

BRYAN BOLDT

Date: _____

BRYAN BOLDT

MICHAEL DUBES

Date: _____

MICHAEL DUBES

RICHARD JOSEPH

Date: _____

RICHARD JOSEPH

PINEHURST BANCORP, INC.

Date: _____

By: _____

Print Name: _____

Title: _____

ROGER AMUNDSON

Date: _____

ROGER AMUNDSON

(b)(6)

ROBERT ANDERSON

Date: 2-10-12



ROBERT ANDERSON

BRYAN BOLDT

Date: _____

BRYAN BOLDT

MICHAEL DUBES

Date: _____

MICHAEL DUBES

RICHARD JOSEPH

Date: _____

RICHARD JOSEPH

PINEHURST BANCORP, INC.

Date: _____

By: _____

Print Name: _____

Title: _____

ROGER AMUNDSON

Date: _____

ROGER AMUNDSON

ROBERT ANDERSON

Date: _____

ROBERT ANDERSON

(b)(6) BRYAN BOLDT

Date: 2-8-12



BRYAN BOLDT

MICHAEL DUBES

Date: _____

MICHAEL DUBES

RICHARD JOSEPH

Date: _____

RICHARD JOSEPH

PINEHURST BANCORP, INC.

Date: _____

By: _____

Print Name: _____

Title: _____

ROGER AMUNDSON

Date: _____

ROGER AMUNDSON

ROBERT ANDERSON

Date: _____

ROBERT ANDERSON

BRYAN BOLDT

Date: _____

BRYAN BOLDT

(b)(6) MICHAEL DUBES

Date: 1-31-2017



MICHAEL DUBES

RICHARD JOSEPH

Date: _____

RICHARD JOSEPH

PINEHURST BANCORP, INC.

Date: _____

By: _____

Print Name: _____

Title: _____

ROGER AMUNDSON

Date: _____

ROGER AMUNDSON

ROBERT ANDERSON

Date: _____

ROBERT ANDERSON

BRYAN BOLDT

Date: _____

BRYAN BOLDT

MICHAEL DUBES

Date: _____

MICHAEL DUBES

(b)(6)

RICHARD JOSEPH

Date: 1/25/12

RICHARD JOSEPH

(b)(6) ELIZABETH KING

Date: 2/23/12



ELIZABETH KING

ROBERT A. KRUCHOSKI

Date: _____

ROBERT A. KRUCHOSKI

KENNETH ROBERT LEA

Date: _____

KENNETH ROBERT LEA

JOHN LOHMANN

Date: _____

JOHN LOHMANN

THOMAS LOHMANN

Date: _____

THOMAS LOHMANN

JOHN A. MARKERT

Date: _____

JOHN A. MARKERT

JAMES MCCARTHY

Date: _____

JAMES MCCARTHY


ELIZABETH KING

Date: _____

ELIZABETH KING

(b)(6) ROBERT A. KRUCHOSKI

Date: 1-30-12


ROBERT A. KRUCHOSKI

KENNETH ROBERT LEA

Date: _____

KENNETH ROBERT LEA

JOHN LOHMANN

Date: _____

JOHN LOHMANN

THOMAS LOHMANN

Date: _____

THOMAS LOHMANN

JOHN A. MARKERT

Date: _____

JOHN A. MARKERT

JAMES MCCARTHY

Date: _____

JAMES MCCARTHY

ELIZABETH KING

Date: _____

ELIZABETH KING

ROBERT A. KRUCHOSKI

Date: _____

ROBERT A. KRUCHOSKI

(b)(6) KENNETH ROBERT LEA

Date: 2/9/12



KENNETH ROBERT LEA

JOHN LOHMANN

Date: _____

JOHN LOHMANN

THOMAS LOHMANN

Date: _____

THOMAS LOHMANN

JOHN A. MARKERT

Date: _____

JOHN A. MARKERT

JAMES MCCARTHY

Date: _____

JAMES MCCARTHY

ELIZABETH KING

Date: _____

ELIZABETH KING

ROBERT A. KRUCHOSKI

Date: _____

ROBERT A. KRUCHOSKI

KENNETH ROBERT LEA

Date: _____

KENNETH ROBERT LEA

(b)(6)

JOHN LOHMANN

Date: 1-25-12



JOHN LOHMANN

THOMAS LOHMANN

Date: _____

THOMAS LOHMANN

JOHN A. MARKERT

Date: _____

JOHN A. MARKERT

JAMES MCCARTHY

Date: _____

JAMES MCCARTHY

ELIZABETH KING

Date: _____

ELIZABETH KING

ROBERT A. KRUCHOSKI

Date: _____

ROBERT A. KRUCHOSKI

KENNETH ROBERT LEA

Date: _____

KENNETH ROBERT LEA

JOHN LOHMANN

Date: _____

JOHN LOHMANN

(b)(6) THOMAS LOHMANN

Date: 1/27/12



THOMAS LOHMANN

JOHN A. MARKERT

Date: _____

JOHN A. MARKERT

JAMES MCCARTHY

Date: _____

JAMES MCCARTHY

ELIZABETH KING

Date: _____

ELIZABETH KING

ROBERT A. KRUCHOSKI

Date: _____

ROBERT A. KRUCHOSKI

KENNETH ROBERT LEA

Date: _____

KENNETH ROBERT LEA

JOHN LOHMANN

Date: _____

JOHN LOHMANN

THOMAS LOHMANN

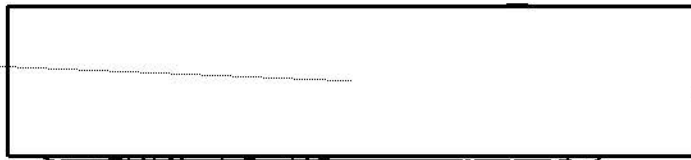
Date: _____

THOMAS LOHMANN

(b)(6)

JOHN A. MARKERT

Date: 1/25/12



~~JOHN A. MARKERT~~

JAMES MCCARTHY

Date: _____

JAMES MCCARTHY

ELIZABETH KING

Date: _____

ELIZABETH KING

ROBERT A. KRUCHOSKI

Date: _____

ROBERT A. KRUCHOSKI

KENNETH ROBERT LEA

Date: _____

KENNETH ROBERT LEA

JOHN LOHMANN

Date: _____

JOHN LOHMANN

THOMAS LOHMANN

Date: _____

THOMAS LOHMANN

JOHN A. MARKERT

Date: _____

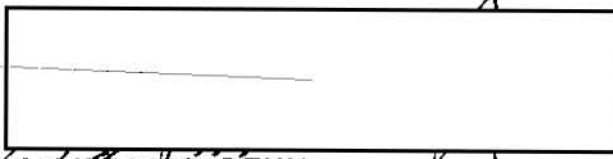
JOHN A. MARKERT

JAMES MCCARTHY

Date: 3/9/2012

JAMES MCCARTHY

(b)(6)

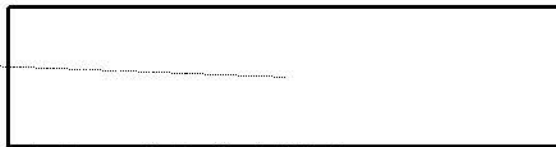


(b)(6)

RUSSELL NELSON

Date:

1/31/12



RUSSELL NELSON

GREGORY P. PEDERSON

Date:

GREGORY P. PEDERSON

CHERIE RITTER

Date:

CHERIE RITTER

TODD STREED

Date:

TODD STREED

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RUSSELL NELSON

Date: _____

RUSSELL NELSON

(b)(6) GREGORY P. PEDERSON

Date: 1/25/12



GREGORY P. PEDERSON

CHERIE RITTER

Date: _____

CHERIE RITTER

TODD STREED

Date: _____

TODD STREED

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RUSSELL NELSON

Date: _____

RUSSELL NELSON

GREGORY P. PEDERSON

Date: _____

GREGORY P. PEDERSON

(b)(6) CHERIE RITTER

Date: 2/7/12



CHERIE RITTER

TODD STREED

Date: _____

TODD STREED

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RUSSELL NELSON

Date: _____

RUSSELL NELSON

GREGORY P. PEDERSON

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GREGORY P. PEDERSON

CHERIE RITTER

Date: _____

CHERIE RITTER

(b)(6)

TODD STREED

Date: 2/1/12



TODD STREED

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