FEDERAL DEPOSIT INSURANCE CORPORATION
WASHINGTON, D.C.

OFFICE OF FINANCIAL INSTITUTIONS
BATON ROUGE, LOUISIANA

In the Matter of	)	CONSENT ORDER
	)	
THE UNION BANK	)	
MARKSVILLE, LOUISIANA	)	FDIC-09-726b
(INSURED STATE NONMEMBER BANK)	)	STATE NO.- OFI-09-01
	)	

The Federal Deposit Insurance Corporation ("FDIC") is the appropriate Federal banking agency for The Union Bank, Marksville, Louisiana ("Bank"), under 12 U.S.C. § 1813(q). The Louisiana Office of Financial Institutions ("OFI") is the state regulator for the Bank pursuant to Louisiana Law, including the Louisiana Banking Law, LSA-R.S. 6:1 et seq., and especially LSA-R.S. 6:101.

The Bank, by and through its duly elected and acting Board of Directors ("Board"), has executed a "STIPULATION TO THE ISSUANCE OF A CONSENT ORDER" ("STIPULATION"), dated January 29, 2010 that is accepted by the FDIC and the OFI. With the Stipulation, the Bank has consented, without admitting or denying any charges of unsafe or unsound banking practices relating to: operating the Bank with an inadequate level of capital protection for the kind and quality of assets held by the Bank; operating the Bank with inadequate earnings to fund growth, support dividend payments, and augment capital; operating the Bank with an excessive level of adversely classified loans or assets; operating with an inadequate allowance for loan and lease losses for the volume, type, and quality of loans and leases held; creating concentrations of credit; operating the Bank with management whose policies and practices are detrimental to the bank and jeopardize the safety of its deposits; operating the Bank without adequate supervision and direction by the Bank's board of directors over the management of the Bank to prevent unsafe and unsound banking practices and violations of laws or regulations, to the issuance of this CONSENT ORDER ("ORDER") by the FDIC and the OFI.

Having determined that the requirements for issuance of an order under 12 U.S.C. § 1818(b) and the Louisiana Banking Law, LSA-R.S. 6:1 et seq., including, but not limited to, LSA-R.S. 6:121, 121.1, and 122, have been satisfied, the FDIC and the OFI hereby order that:

ALLOWANCE FOR LOAN AND LEASE LOSSES AND AMENDED CALL REPORTS

1. (a) Within 10 days after the effective date of this ORDER, the Bank shall make provisions to its Allowance for Loan and Lease Losses ("ALLL") in an amount equal to at least an additional $4,015,000. The allowance should be funded by charges to current operating income, and should be calculated in accordance with generally accepted accounting standards and ALLL supervisory guidance. After the initial provision is made, the Bank shall thereafter maintain an appropriate ALLL. Prior to the end of each calendar quarter, the Bank's board of directors shall review the adequacy of the Bank's ALLL. Such reviews shall include, at a minimum, the Bank's loan loss experience, an estimate of potential loss exposure in the portfolio, trends of delinquent and non-accrual loans and prevailing and prospective economic conditions. The minutes of the Bank's board of directors' meetings at which such reviews are undertaken shall include complete details of the reviews and the resulting recommended increases in the ALLL.

(b) Within 30 days after the effective date of this ORDER, the Bank shall review Consolidated Reports of Condition and Income filed with the FDIC on or after June 30, 2009, and amend said reports if necessary to accurately reflect the financial condition of the Bank as of the date of each such report. In particular, such reports shall contain an appropriate ALLL. Reports filed after the effective date of this ORDER shall also accurately reflect the financial condition of the Bank as of the reporting date.

(c) The Bank must use Financial Accounting Standards Board Statements Numbers 5 and 114 for determining the Bank's allowance for loan and lease losses reserve adequacy. Provisions for loan losses must be based on the inherent risk in the Bank's loan portfolio. The directorate must document with written reasons any decision not to require provisions for loan losses in the board minutes.

RESTRICTION ON ADVANCES TO CLASSIFIED BORROWERS

2. (a) While this ORDER is in effect, the Bank shall not extend, directly or indirectly, any additional credit to or for the benefit of any borrower whose existing credit has been classified Loss by the FDIC or the OFI as the result of its examination of the Bank, either in whole or in part, and is uncollected, or to any borrower who is already obligated in any manner to the Bank on any extension of credit, including any portion thereof, that has been charged off the books of the Bank and remains uncollected. The requirements of this paragraph shall not prohibit the Bank from renewing credit already extended to a borrower after full collection, in cash, of interest due from the borrower.

(b) While this ORDER is in effect, the Bank shall not extend, directly or indirectly, any additional credit to or for the benefit of any borrower whose extension of credit is classified Doubtful and/or Substandard by the FDIC or the OFI as the result of its examination of the Bank, either in whole or in part, and is uncollected, unless the Bank's board of directors has signed a detailed written statement giving reasons why failure to extend such credit would be detrimental to the best interests of the Bank. The statement shall be placed in the appropriate loan file and included in the minutes of the applicable Bank's board of directors' meeting.

CAPITAL INCREASE AND MAINTENANCE

3. (a) Within 90 days after the effective date of this ORDER, and while this ORDER is in effect, the Bank, after establishing an appropriate Allowance for Loan and Lease Losses, shall maintain its Tier 1 Leverage Capital ratio equal to or greater than 9.00 percent of the Bank's Average Total Assets; shall maintain its Tier 1 Risk-Based Capital ratio equal to or greater than 11.00 percent of the Bank's Total Risk-Weighted Assets; and shall maintain its Total Risk-Based Capital ratio equal to or greater than 13.00 percent of the Bank's Total Risk Weighted Assets. Any increase in the Bank's Tier 1 Capital necessary to meet the capital ratios required by this ORDER may be accomplished by:

(1) The sale of securities in the form of common stock; or

(2) The direct contribution of cash subsequent to July 27, 2009, by the directors and shareholders of the Bank by the Bank's holding company; or

(3) Receipt of an income tax refund or the capitalization subsequent to July 27, 2009, of a bona fide tax refund certified as being accurate by a certified public accounting firm; or

(4) Any other method approved by the Regional Director of the

Division of Supervision and Consumer Protection of the FDIC Dallas Regional Office ("Regional Director") and the Commissioner of the OFI ("Commissioner").

(b) If any such capital ratios are less than the percentages required by this ORDER, as determined as of the date of any Report of Condition and Income or at an examination by the FDIC or the OFI, the Bank shall, within 30 days after receipt of a written notice of the capital deficiency from the Regional Director and the Commissioner, present to the Regional Director and the Commissioner a plan to increase the Bank's Tier 1 Capital or to take other measures to bring all the capital ratios to the percentages required by this ORDER. After the Regional Director and the Commissioner respond to the plan, the Bank's board of directors shall adopt the plan, including any modifications or amendments requested by the Regional Director and the Commissioner. Such capital plan shall detail the steps that the Bank shall take to achieve and maintain the capital requirements set forth in paragraph 3(a) above. In developing the capital plan, the Bank must take into consideration:

(i) The volume of the bank's adversely classified assets;
(ii) The nature and level of the Bank's asset concentrations;
(iii) The adequacy of the Bank's ALLL;
(iv) The anticipated level of retained earnings;
(v) Anticipated and contingent liquidity needs; and
(vi) The source and timing of additional funds to fulfill future capital needs.

In addition, the capital plan must include a contingency plan in the event that the Bank has (1) failed to maintain the minimum capital ratios required by subparagraph 3(a); (2) failed to submit an acceptable capital plan as required by this subparagraph; or (3) failed to implement or adhere to a capital plan to which the Regional Director and the Commissioner have taken no written objection pursuant to this subparagraph. Said contingency plan shall include a plan to sell or merge the Bank. The Bank shall implement the contingency plan upon written notice from the Regional Director and the Commissioner.

(c) Thereafter, the Bank shall immediately initiate measures detailed in the plan, to the extent such measures have not previously been initiated, to increase the Bank's Tier 1 Capital by an amount sufficient to bring all the capital ratios to the percentages required by this ORDER within 30 days after the Regional Director and the Commissioner respond to the plan.

(d) If all or part of the increase in Tier 1 Capital required by this ORDER is to be accomplished by the sale of new securities, the Bank's board of directors shall adopt and implement a plan for the sale of such additional securities, including soliciting proxies and the voting of any shares or proxies owned or controlled by them in favor of the plan. Should the implementation of the plan involve a public distribution of the Bank's securities (including a distribution limited only to the Bank's existing shareholders), the Bank shall prepare offering materials fully describing the securities being offered, including an accurate description of the financial condition of the Bank and the circumstances giving rise to the offering, and any other material disclosures necessary to comply with Federal securities laws. Prior to the implementation of the plan, and in any event, not less than 20 days prior to the dissemination of such materials, the plan and any materials used in the sale of the securities shall be submitted to the FDIC, Accounting and Securities Disclosure Section, Washington, D.C. 20429, and the OFI for review. Any changes requested to be made in the plan or the materials by the FDIC or the OFI shall be made prior to their dissemination. If the increase in Tier 1 Capital is to be provided by the sale of non-cumulative perpetual preferred stock, then all terms and conditions of the issue shall be presented to the Regional Director and the Commissioner for prior approval.

(e) In complying with the provisions of this ORDER and until such time as any such public offering is terminated, the Bank shall provide to any subscriber and/or purchaser of the Bank's securities written notice of any planned or existing development or other change which is materially different from the information reflected in any offering materials used in connection with the sale of the Bank's securities. The written notice required by this paragraph shall be furnished within 10 days after the date such material development or change was planned or occurred, whichever is earlier, and shall be furnished to every purchaser and/or subscriber who received or was tendered the information contained in the Bank's original offering materials.

(f) In addition, the Bank shall comply with the FDIC's Statement of Policy on Risk-Based Capital found in Appendix A to Part 325 of the FDIC's Rules and Regulations, 12 C.F.R. Part 325, App. A.

(g) For purposes of this ORDER, all terms relating to capital shall be calculated according to the methodology set forth in Part 325 of the FDIC's Rules and Regulations, 12 C.F.R. Part 325.

CLASSIFIED ASSETS - CHARGE-OFF AND REDUCTION

4. (a) Within 10 days after the effective date of this ORDER, the Bank shall, to the extent that it has not previously done so, eliminate from its books, by charge-off or collection, all assets or portions of assets classified Loss by the FDIC and the OFI as a result of the examination of the Bank as of July 27, 2009. Reduction of these assets through proceeds of loans made by the Bank shall not be considered "collection" for the purpose of this paragraph.

(b) Within 60 days after the effective date of this ORDER, the Bank shall submit a written plan to the Regional Director and the Commissioner to reduce the remaining assets classified Substandard as of July 27, 2009. The plan shall address each asset so classified with a balance of $400,000 or greater and provide the following information:

(1) The name under which the asset is carried on the books of the Bank;

(2) Type of asset;

(3) Actions to be taken in order to reduce the classified asset; and

(4) Timeframes for accomplishing the proposed actions.

The plan shall also include, at a minimum, the following requirements:

(1) Review the financial position of each such borrower, including the source of repayment, repayment ability, and alternate repayment sources; and

(2) Evaluate the available collateral for each such credit, including possible actions to improve the Bank's collateral position.

The plan shall be formulated so that, within 180 days after the effective date of this ORDER, the Bank shall achieve a reduction in the volume of the adversely classified assets reflected in the July 27, 2009, Report of Examination, to a level not to exceed 90 percent of Tier 1 Capital plus the Allowance for Loan and Lease Losses as determined at the end of the 180-day period. In addition, within 270 days after the effective date of the ORDER, the Bank shall achieve a reduction in the volume of the adversely classified assets reflected in the July 27, 2009, Report of Examination, to a level not to exceed 50 percent of Tier 1 Capital plus the Allowance for Loan and Lease Losses as determined at the end of the 270-day period. The plan may include a provision for increasing capital where necessary to achieve the prescribed ratio.

(c) The reduction in the level of classifications provided for herein is not to be construed as a standard for future operations and, in addition to the foregoing, the Bank shall eventually reduce all other adversely classified assets. As used in this ORDER, the word "reduce" means:

(1) Collect;

(2) Charge-off;

(3) Sufficiently improve the quality of assets adversely classified so as to warrant removing any adverse classification, as determined by the FDIC or the OFI; or

(4) Increase in the Bank's Tier 1 Capital.

(d) While this ORDER is in effect, the Bank shall eliminate from its books, by charge-off or collection, all assets or portions of assets classified Loss as determined at any future examination conducted by the FDIC or the OFI.

CONCENTRATIONS – PLAN FOR REDUCTION

5. (a) Within 90 days after the effective date of this ORDER, the Bank shall develop and submit a written plan to the Regional Director and the Commissioner for systematically reducing and monitoring the Bank's portfolio of loans, securities, or other extensions of credit advanced or committed, directly or indirectly, to or for the benefit of any borrowers in commercial real estate ("CRE"), which includes loans acquired from BankFirst, Sioux Falls, South Dakota ("BankFirst"), as listed in the Report of Examination dated July 27, 2009. CRE loans are defined in Financial Institution Letter (FIL-104-2006) "Commercial Real Estate Lending: Joint Guidance," and shall be reduced to an amount which is commensurate with the

Bank's business strategy, management expertise, size, and location (the "Concentration Plan"). At a minimum, the Concentration Plan shall include the following information:

(i) Dollar levels and percent of total capital to which the Bank shall reduce CRE and BankFirst loans;

(ii) Timeframes for achieving the reduction in dollar levels identified in response to (i) above;

(iii) Procedures for monitoring the Bank's compliance with the Concentration Plan and submission of monthly written progress reports to the Bank's Board of Directors;

(iv) Procedures for close monitoring and prompt resolution of non-performing CRE and BankFirst related loans;

(v) Implement steps to ensure compliance with the monitoring requirements pursuant to FIL 104-2006, particularly stress testing and capital analysis.

(iv) When fully implemented, the CRE Plan shall establish appropriate measures to ensure portfolio levels are consistent with thresholds set forth in FIL 104-2006.

(b) The Bank shall submit the Concentration Plan to the Regional Director and the Commissioner for review and comment within 90 days after the effective date of this ORDER. After the Regional Director and the Commissioner have responded to the plan, the Bank's board of directors shall adopt the plan as amended or modified by the Regional Director and the Commissioner. The plan shall be implemented immediately to the extent that the provisions of the plan are not already in effect at the Bank.

(c) The Bank shall not make any new extensions or commitments of credit to or fore the benefit of any borrower or associated entities so long as such extensions or commitments would result in the Bank exceeding any limits contained in the Concentration Plan.

REDUCTION OF DELINQUENCIES

6. (a) Within 90 days after the effective date of this ORDER, the Bank shall

formulate and submit to the Regional Director and the Commissioner for review and comment a written plan for the reduction and collection of delinquent loans. Such plan shall include, but not be limited to, provisions which:

(1) Prohibit the extension of credit for the payment of interest;

(2) Delineate areas of responsibility for implementing and monitoring the Bank's collection policies;

(3) Establish specific collection procedures to be instituted at various stages of a borrower's delinquency;

(4) Establish dollar levels to which the Bank shall reduce delinquencies within 30 days; and

(5) Provide for the submission of monthly written progress reports to the Bank's board of directors for review and notation in minutes of the meetings of the Bank's board of directors.

(b) For purposes of the plan, "reduce" means to:

(1) Charge-off; or

(2) Collect.

(c) After the Regional Director and the Commissioner have responded to the plan, the Bank's board of directors shall adopt the plan as amended or modified by the Regional Director and the Commissioner. The plan will be implemented immediately to the extent that the provisions of the plan are not already in effect at the Bank.

DIVIDEND RESTRICTION

7. As of the effective date of this ORDER, the Bank shall not declare or pay any cash dividend without the prior written consent of the Regional Director and the Commissioner.

INTEREST RATE RISK

8. Within 90 days after the effective date of the ORDER, the Bank shall develop, adopt, and implement an interest rate risk policy and procedures that shall include, at a minimum:

(a) Measures designed to control the nature and amount of interest rate risk the Bank takes including those that specify risk limits and defines lines of responsibilities and authority for managing risk;

(b) A system for identifying and measuring interest rate risk;

(c) A system for monitoring and reporting risk exposures; and

(d) A system of internal controls, review, and audit to ensure the integrity of the overall risk management process.

LIQUIDITY/ASSET/LIABILITY MANAGEMENT

9. (a) Within 90 days after the effective date of this ORDER, the Bank shall develop and submit to the Regional Director and the Commissioner for review and comment a written plan addressing liquidity and asset/liability management. Annually thereafter, while this ORDER is in effect, the Bank shall review this plan for adequacy and, based upon such review, shall make necessary revisions to the plan to strengthen funds management procedures and

maintain adequate provisions to meet the Bank's liquidity needs. The initial plan shall include, at a minimum, the following provisions:

(1) Establishing limitations on the total loan to total assets ratio of not more than 75 percent. The requirements of this paragraph shall not be construed as standards for future operations, and the Bank's total loan to total assets ratio shall be monitored on a monthly basis and maintained at a level consistent with safe and sound banking practices;

(2) Establishing a reasonable range for its net non-core funding ratio as computed in the Uniform Bank Performance Report;

(3) Identifying the source and use of borrowed and/or volatile funds;

(4) Establishing lines of credit at correspondent banks, including the Federal Reserve Bank of Atlanta or the Federal Home Loan Bank Board, that would allow the Bank to borrow funds to meet depositor demands if the Bank's other provisions for liquidity proved to be inadequate;

(5) Requiring the retention of securities and/or other identified categories of investments that can be liquidated within one day in amounts sufficient (as a percentage of the Bank's total assets) to ensure the maintenance of the Bank's liquidity posture at a level consistent with short- and long-term liquidity objectives;

(6) Establishing a minimum liquidity ratio and defining how the ratio is to be calculated;

(7) Establishing contingency plans by identifying alternative courses of action designed to meet the Bank's liquidity needs; and

(8) Addressing the use of borrowings (i.e., seasonal credit needs, match funding mortgage loans, etc.) and providing for reasonable maturities commensurate with the use of the borrowed funds; addressing concentration of funding sources; and addressing pricing and collateral requirements with specific allowable funding channels (i.e., brokered deposits, internet deposits, Fed funds purchased and other correspondent borrowings).

(9) Establishing procedures for managing the Bank's sensitivity to interest rate risk which comply with the Joint Agency Statement of Policy on Interest Rate Risk (June 26, 1996), and the Supervisory Policy Statement on Investment Securities and End-user Derivative Activities (April 23, 19998).

(b) Within 30 days after the receipt of all such comments from the Regional Director and the Commissioner, and after revising the plan as necessary, the Bank shall adopt the plan, which adoption shall be recorded in the minutes of a board of directors' meeting. Thereafter, the Bank shall implement the plan.

LOAN COMMITTEE AND LOAN REVIEW REQUIREMENTS

10. (a) Within 60 days after the effective date of this ORDER, the Bank's board of directors shall establish a loan review committee to periodically review the Bank's loan portfolio and identify and categorize problem credits. The committee shall file a report with the

Bank's board of directors at each board meeting. This report shall include the following information:

(1) The overall quality of the loan portfolio;

(2) The identification, by type and amount, of each problem or delinquent loan;

(3) The identification of all loans not in conformance with the Bank's lending policy; and

(4) The identification of all loans to officers, directors, principal shareholders or their related interests.

(b) At least a majority of the members of the loan review committee shall be directors not employed in any capacity by the Bank other than as a director.

MANAGEMENT – BOARD SUPERVISION

11. Within 30 days after the effective date of this ORDER, the Bank's board of directors shall increase its participation in the affairs of the Bank by assuming full responsibility for the approval of the Bank's policies and objectives and for the supervision of the Bank's management, including all the Bank's activities. The board's participation in the Bank's affairs shall include, at a minimum, monthly meetings in which the following areas shall be reviewed and approved by the board: reports of income and expenses; new, overdue, renewed, insider, charged-off, delinquent, nonaccrual, and recovered loans; investment activities; operating policies; and individual committee actions. The Bank's board of directors' minutes shall document the board's reviews and approvals, including the names of any dissenting directors.

MANAGEMENT

12. (a) The Bank shall have and retain qualified management. Each member of management shall possess qualifications and experience commensurate with his or her duties and responsibilities at the Bank. The qualifications of management personnel shall be evaluated on their ability to:

(1) Comply with the requirements of the ORDER;

(2) Operate the Bank in a safe and sound manner;

(3) Comply with applicable laws and regulations; and

(4) Restore all aspects of the Bank to a safe and sound condition, including improve the Bank's asset quality, capital adequacy, earnings, management effectiveness, liquidity, and its sensitivity to market risk.

(b) While this ORDER is in effect, the Bank shall notify the Regional Director and the Commissioner in writing of any changes in management. The notification must include the name(s) and background(s) of any replacement personnel and must be provided 60 days prior to the individual(s) assuming the new position(s).

MANAGEMENT CLAUSE – STAFFING STUDY

13. (a) Within 60 days after the effective date of this ORDER, the Bank shall retain a bank consultant acceptable to the Regional Director and the Commissioner. The consultant shall develop a written analysis and assessment of the Bank's management and staffing needs ("Management Plan") for the purpose of providing qualified management for the

Bank.

(b) The Bank shall provide the Regional Director and the Commissioner with a copy of the proposed engagement letter or contract with the consultant for review before it is executed. The contract or engagement letter, at a minimum, should include:

(1) A description of the work to be performed under the contract or engagement letter;

(2) The responsibilities of the consultant;

(3) An identification of the professional standards covering the work to be performed;

(4) Identification of the specific procedures to be used when carrying out the work to be performed;

(5) The qualifications of the employee(s) who are to perform the work;

(6) The time frame for completion of the work;

(7) Any restrictions on the use of the reported findings; and

(8) A provision for unrestricted examiner access to work papers.

(c) The Management Plan shall be developed within 120 days after the effective date of this ORDER. The Management Plan shall include, at a minimum:

(1) Identification of both the type and number of officer positions needed to properly manage and supervise the affairs of the Bank;

(2) Identification and establishment of such Bank committees as are needed to provide guidance and oversight to active management;

(3) Evaluation of all Bank officers and staff members to determine whether these individuals possess the ability, experience and other

qualifications required to perform present and anticipated duties, including adherence to the Bank's established policies and practices, and restoration of the Bank to a safe and sound condition; and

(4) A plan to recruit and hire any additional or replacement personnel with the requisite ability, experience and other qualifications to fill those officer or staff member positions identified in the Management Plan.

(d) The Management Plan shall be submitted to the Regional Director and the Commissioner for review and comment upon its completion. Within 30 days from the receipt of any comments from the Regional Director and the Commissioner, and after the adoption of any recommended changes, the Bank shall approve the Management Plan, and record its approval in the minutes of the board of directors' meeting. Thereafter, the Bank, its directors, officers, and employees shall implement and follow the Management Plan and/or any subsequent modification.

PROFIT PLAN

14. (a) Within 60 days after the effective date of this ORDER, and within the first 30 days of each calendar year thereafter, the board of directors shall develop a written profit plan consisting of goals and strategies for improving the earnings of the Bank for each calendar year. The written profit plan shall include, at a minimum:

(1) Identification of the major areas in, and means by, which the board of directors will seek to improve the Bank's operating

performance;

(2) Realistic and comprehensive budgets;

(3) A budget review process to monitor the income and expenses of the Bank to compare actual figures with budgetary projections on not less than a quarterly basis; and

(4) A description of the operating assumptions that form the basis for and support major projected income and expense components.

(b) Such written profit plan and any subsequent modification thereto shall be submitted to the Regional Director and the Commissioner for review and comment. Within 30 days after the receipt of any comment from the Regional Director and the Commissioner, the Bank's board of directors shall approve the written profit plan which approval shall be recorded in the minutes of the Bank's board of directors. Thereafter, the Bank, its directors, officers, and employees shall follow the written profit plan and/or any subsequent modification.

STRATEGIC PLAN

15. (a) Within 120 days after the effective date of this ORDER, the Bank shall prepare and adopt a comprehensive strategic plan. The strategic plan required by this paragraph shall contain an assessment of the Bank's current financial condition and market area, and a description of the operating assumptions that form the basis for major projected income and expense components.

(b) The written strategic plan shall address, at a minimum:

(1) Strategies for pricing policies and asset/liability management;

(2) Plans for sustaining adequate liquidity, including back-up lines of credit to meet any unanticipated deposit withdrawals;

(3) Goals for reducing problem loans;

(4) Plans for attracting and retaining qualified individuals to fill vacancies in the lending and accounting functions;

(5) Financial goals, including pro forma statements for asset growth, capital adequacy, and earnings;

(6) Formulation of a mission statement and the development of a strategy to carry out that mission.

(c) The Bank shall submit the strategic plan to the Regional Director and the Commissioner for review and comment. After consideration of all such comments, the Bank shall approve the plan, which approval shall be recorded in the minutes of the Bank's board of directors' meeting. Thereafter, the Bank shall implement and follow the strategic plan.

(d) Within 30 days after the end of each calendar quarter following the effective date of this ORDER, the Bank's board of directors shall evaluate the Bank's performance in relation to the strategic plan required by this paragraph and record the results of the evaluation, and any actions taken by the Bank, in the minutes of the Bank's board of directors' meeting at which such evaluation is undertaken.

(e) The strategic plan required by this ORDER shall be revised and submitted to the Regional Director and the Commissioner for review and comment 30 days after the end of each calendar year for which this ORDER is in effect. Within 30 days after receipt of all such comments from the Regional Director and the Commissioner and after consideration of all such comments, the Bank shall approve the revised plan, which approval shall be recorded in the minutes of the Bank's board of directors' meeting. Thereafter, the Bank shall implement the revised plan.

CORRECTION OF VIOLATIONS

16. Within 60 days after the effective date of this ORDER, the Bank shall eliminate and/or correct all violations of law and regulations noted in the July 27, 2009, Report of Examination. In addition, the bank shall implement procedures to ensure future compliance with all applicable regulations.

COMPLIANCE COMMITTEE

17. (a) Within 30 days after the effective date of this ORDER, the Bank's board of directors shall establish a committee of the board of directors charged with the responsibility of ensuring that the Bank complies with the provisions of this ORDER. The committee shall report monthly to the entire board of directors of the Bank, and a copy of the report and any discussion related to the report or the ORDER shall be included in the minutes of the Bank's board of directors' meeting. Nothing contained herein shall diminish the responsibility of the entire board of directors of the Bank to ensure compliance with the provisions of this ORDER.

SHAREHOLDER NOTIFICATION

18. After the effective date of this ORDER, the Bank shall send a copy of this ORDER, or otherwise furnish a description of this ORDER, to its shareholders (1) in conjunction with the Bank's next shareholder communication, and also (2) in conjunction with its notice or

proxy statement preceding the Bank's next shareholder meeting. The description shall fully describe the ORDER in all material respects. The description and any accompanying communication, statement, or notice shall be sent to the FDIC Accounting and Securities Disclosure Section, Washington, D.C. 20429, and to the OFI for review at least 20 days prior to dissemination to shareholders. Any changes requested by the FDIC shall be made prior to dissemination of the description, communication, notice, or statement.

PROGRESS REPORTS

19. Within 30 days after the end of the first calendar quarter following the effective date of this ORDER, and within 30 days after the end of each successive calendar quarter, the Bank shall furnish written progress reports to the Regional Director and the Commissioner detailing the form and manner of any actions taken to secure compliance with this ORDER and the results thereof. Such reports may be discontinued when the corrections required by the ORDER have been accomplished and the Regional Director and the Commissioner have released the Bank in writing from making additional reports.

The provisions of this ORDER shall not bar, stop, or otherwise prevent the FDIC or the OFI or any other federal or state agency or department from taking any other action against the Bank or any of the Bank's current or former institution-affiliated parties.

This ORDER shall be effective on the date of issuance.

The provisions of this ORDER shall be binding upon the Bank, its institution-affiliated parties, and any successors and assigns thereof.

The provisions of this ORDER shall remain effective and enforceable except to the extent that and until such time as any provision has been modified, terminated, suspended, or set aside by the FDIC and the OFI.

Issued pursuant to delegated authority this _29th day of January, 2010.

/s/
Thomas J. Dujenski
Regional Director
Dallas Region
Division of Supervision and Consumer Protection
Federal Deposit Insurance Corporation

/s/
Honorable John Ducrest
Commissioner
Louisiana Office of Financial Institutions