FEDERAL DEPOSIT INSURANCE CORPORATION
WASHINGTON, D.C.

In the Matter of THE FIRST BANK OF GREENWICH COS COB, CONNECTICUT (INSURED STATE NONMEMBER BANK)	))))))))	CONSENT ORDER FDIC-10-323b

The Federal Deposit Insurance Corporation ("FDIC") is the appropriate Federal banking agency for The First Bank of Greenwich, Cos Cob, Connecticut, ("Bank"), under section 3(q) of the Federal Deposit Insurance Act ("Act"), 12 U.S.C. § 1813(q).

The Bank, by and through its duly elected and acting Board of Directors ("Board"), has executed a "STIPULATION AND CONSENT TO THE ISSUANCE OF A CONSENT ORDER" ("CONSENT AGREEMENT"), dated May 14, 2010**,** that is accepted by the FDIC. With the CONSENT AGREEMENT, the Bank has consented, without admitting or denying any charges of unsafe or unsound banking practices relating to weaknesses in management, capital, earnings, liquidity, and sensitivity to interest rate risk, to the issuance of this Consent Order ("ORDER") by the FDIC.

Having determined that the requirements for issuance of an order under section 8(b) of the Act, 12 U.S.C. § 1818(b), have been satisfied, the FDIC hereby orders that:

BOARD OF DIRECTORS

1. (a) The Board shall increase its participation in the affairs of the Bank, assuming full responsibility for the approval of sound policies and objectives and for the supervision of all of the Bank's activities, consistent with the role and expertise commonly expected for directors of banks of comparable size. This participation shall include meetings to

be held no less frequently than monthly at which, at a minimum, the following areas shall be reviewed and approved: reports of income and expenses; liquidity levels and funds management; adoption or modification of operating policies; the calculation of the Allowance for Loan and Lease Losses ("ALLL"); investment transactions; reconciliation of general ledger accounts; Board and Committee minutes; and compliance with this ORDER. Board minutes shall document these reviews and approvals, including the names of any dissenting directors.

(b) The Bank shall notify the Area Director of the Boston Area Office of the FDIC ("Area Director") and the Banking Commissioner ("Banking Commissioner") for the State of Connecticut Department of Banking ("Department of Banking") in writing of any resignations or terminations of any members of the Board or any of the Bank's senior executive officers within fifteen (15) days of the event. The Bank shall also establish procedures to ensure compliance with section 32 of the Act, 12 U.S.C. 1831i, and Subpart F of Part 303 of the FDIC's Rules and Regulations, 12 C.F.R. 303.100 through 303.103. Additionally, the Bank shall obtain prior written approval from the Banking Commissioner to hire any individual to serve as a senior executive officer or to add any director.

(c) The Bank shall notify the Area Director and the Banking Commissioner of any material change to its business plan or any new proposed lines of business for non-objection or comment not less than sixty (60) days prior to the proposed date of implementation. The Bank may not implement the proposed changes unless it receives a written notice of non-objection from the Area Director and the Banking Commissioner.

MANAGEMENT

2. (a) The Bank shall have and retain qualified management. At a minimum, such management shall include: a chief executive officer with proven ability in managing a bank of comparable size and experience; a senior lending officer with an appropriate level of lending,

collection, and loan supervision experience for the type and quality of the Bank's loan portfolio; and a chief financial officer with demonstrated ability in all financial areas including, but not limited to, accounting, regulatory reporting, budgeting and planning, management of the investment function, liquidity management, and interest rate risk management. The Board shall provide the necessary written authority to management to implement the provisions of this ORDER. The qualifications of management shall be assessed on its ability to:

(i) comply with the requirements of this ORDER;

(ii) operate the Bank in a safe and sound manner;

(iii) comply with applicable laws, rules, and regulations; and

(iv) restore all aspects of the Bank to a safe and sound condition, including capital adequacy, management effectiveness, earnings, liquidity, and sensitivity to interest rate risk.

(b) Within sixty (60) days from the effective date of this ORDER, the Bank shall retain a bank consultant who is acceptable to the Area Director and the Banking Commissioner, and who will develop a written analysis and assessment of the Bank's management needs ("Management Report") for the purpose of providing qualified management for the Bank.

(c) The Management Report shall be developed within one hundred and twenty (120) days from the effective date of this ORDER. The Management Report shall include, at a minimum:

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

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

(iii) 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 and maintenance of the Bank in a safe and sound condition;

(iv) evaluation of all directors' and Bank officers' compensation, including salaries, director fees, and other benefits;

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

(d) The Bank shall provide the Area Director and the Banking Commissioner with a copy of the proposed engagement letter or contract with the third party consultant for review and non-objection before it is executed. The contract or engagement letter, at a minimum, shall include:

(i) a description of the work to be performed, the fees for each significant element of the engagement, and the aggregate fee;

(ii) the responsibilities of the firm or individual;

(iii) an identification of the professional standards covering the work to be performed;

(iv) identification of the specific procedures to be used when carrying out the work to be performed;

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

(vi) the time frame for completion of the work;

(vii) any restrictions on the use of the reported findings;

(viii) a provision for unrestricted examiner access to work papers; and

(ix) a certification that the firm or individual is not affiliated in any manner with the Bank.

(e) Within thirty (30) days of receipt of the Management Report, the Bank shall develop a written Management Plan ("Management Plan") that incorporates the findings of the Management Report, a plan of action in response to each recommendation contained in the Management Report, and a time frame for completing each action. At a minimum, the Management Plan shall:

(i) contain a recitation of the recommendations included in the Management Report;

(ii) incorporate a plan to provide necessary training and development for all employees;

(iii) establish procedures to periodically review and update the Management Plan, as well as periodically review and assess the performance of each officer and staff member; and

(iv) contain a current management succession plan.

(f) The Management Plan shall be submitted to the Area Director and the Banking Commissioner for non-objection or comment. Within thirty (30) days from receipt of non-objection or any comments from the Area Director and the Banking Commissioner, and after incorporation and adoption of all comments, the Board shall approve the Management Plan, which approval shall be recorded in the minutes of the Board meeting. Thereafter, the Bank shall implement and fully comply with the Management Plan.

CAPITAL

3. (a) Within one hundred twenty (120) days from the effective date of this ORDER, the Bank shall achieve and maintain the following minimum capital ratios (as defined in Part 325 of the FDIC's Rules and Regulations, 12 C.F.R. Part 325), after establishing an appropriate ALLL:

(i) Tier 1 capital at least equal to eight percent (8%) of total assets;

(ii) Tier 1 risk-based capital at least equal to six percent (6%) of total risk-weighted assets; and

(iii) Total risk-based capital at least equal to ten percent (10%) of total risk-weighted assets.

(b) Within sixty (60) days from the effective date of this ORDER, the Bank shall enter into an agreement or agreements with one or more third parties to provide the Bank with sufficient capital to meet the capital ratios specified in subparagraph (a). Such agreement shall be binding in terms of the third party's or parties' firm commitment to provide such capital within the time frame set forth in subparagraph (a), subject only to regulatory approvals, if required by law, from the FDIC and the Department of Banking.

(c) For purposes of this ORDER, all terms and ratios relating to capital shall be calculated in accordance with Part 325 of the FDIC's Rules and Regulations, 12 C.F.R. Part 325 and 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.

(d) In the event any capital ratio is or falls below the minimum required by this ORDER, the Bank shall immediately notify the Area Director and the Banking Commissioner; and

(i) within thirty (30) days shall increase capital in an amount sufficient to comply with this ORDER, or

(ii) within thirty (30) days shall develop a written plan ("Capital Plan") describing the primary means and timing by which the Bank shall increase its capital ratios up to or in excess of the minimum requirements set forth in this ORDER, as well as a contingency plan ("Contingency Plan") for the sale, merger, or liquidation of the Bank in the event the primary sources of capital are not available within sixty (60) days. The Capital Plan and Contingency Plan shall be submitted for review as described in subparagraph (f) below.

(e) At a minimum, the Capital Plan shall include:

(i) specific plans to achieve the capital levels required under this ORDER;

(ii) specific plans for the maintenance of adequate capital that may in no event be less than the requirements of the provisions of this ORDER;

(iii) projections for asset growth and capital requirements, and such projections shall be based upon a detailed analysis of the Bank's current and projected assets, liabilities, earnings, fixed assets, and off-balance sheet activities, each of which shall be consistent with the Bank's strategic business plan;

(iv) projections for the amount and timing of the capital necessary to meet the Bank's current and future needs;

(v) the primary source(s) from which the Bank will strengthen its capital to meet the Bank's needs;

(vi) contingency plans that identify alternative sources of capital should the primary source(s) under (v) above not be available; and

(vii) a dividend policy that permits the declaration of a dividend only when:

a. the Bank is in compliance with its approved Capital Plan;

b. the Bank is in compliance with applicable State and Federal laws and regulations;

c. after payment of such dividends, the Bank remains in compliance with the above minimum capital ratios;

d. such declaration and payment of dividends has been approved in advance by the Board; and

e. such declaration and payment of dividends has been approved in advance, in writing, by the Area Director and the Banking Commissioner.

(f) The Capital Plan and the Contingency Plan shall be submitted to the Area Director and the Banking Commissioner for non-objection or comment. Within thirty (30) days from receipt of non-objection or any comments from the Area Director and the Banking Commissioner, and after incorporation and adoption of all comments, the Board shall approve the Capital Plan and the Contingency Plan, which approval shall be recorded in the minutes of the Board meeting. Thereafter, the Bank shall implement and fully comply with the Capital Plan and the Contingency Plan.

(g) The Board shall review the Bank's adherence to the Capital Plan, at minimum, on a monthly basis. Copies of the reviews and updates shall be submitted to the Area Director and the Banking Commissioner as part of the progress reports required by this ORDER, or sooner upon the request of the Area Director or the Banking Commissioner.

(h) (i) If all or any part of the additional capital required by the provisions of this ORDER is accomplished by the sale of new securities, the Board shall adopt and implement a plan ("Securities Sale Plan") for the sale of such additional securities, including the voting of any shares owned or proxies held or controlled by them in favor of the plan. Should the implementation of the Securities Sale 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 the federal securities laws. Prior to the implementation of the Securities Sale Plan and, in any event, not less than thirty (30) 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 Area Director, the Banking Commissioner, and the FDIC, Accounting-Registration, Disclosure, and Securities Section, 550 17th Street, N.W. Washington, D.C. 20429 for non-objection or comment. Any changes in the plan or materials requested shall be made prior to the dissemination of the materials.

(ii) The Bank shall provide to any subscriber or purchaser of the Bank's securities written notice of any planned or existing development or other changes which are materially different from the information reflected in any offering materials used in connection with the sale of Bank securities. The written notice required by this paragraph shall be furnished within fifteen (15) days from the date such material development or change was planned or occurred, whichever is earlier, and shall be furnished to every subscriber and purchaser of the Bank's securities who received or was tendered the information contained in the Bank's original offering materials.

DIVIDEND RESTRICTION

4. The Bank shall not declare or pay any cash dividend without the prior written consent of the Area Director and the Banking Commissioner.

STRATEGIC PLAN

5. (a) Within sixty (60) days from the effective date of this ORDER, the Bank shall develop and submit for review as required by subparagraph (c) a written strategic plan ("Strategic Plan"), covering the period 2010-2013, supported by an operating budget and consisting of goals and strategies, consistent with sound banking practices, and taking into account the Bank's other written plans, policies, or other actions as required by this ORDER. The Strategic Plan 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 Strategic Plan shall include, at a minimum:

(i) identification of the major areas in and means by which the Bank will seek to improve operating performance;

(ii) specific goals to improve the net interest margin, increase interest income, and reduce discretionary expenses;

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

(iv) coordination of the Bank's loan, investment, funds management, and operating policies, profit and budget plan, and ALLL methodology with the Strategic Plan.

(c) The Strategic Plan shall be submitted to the Area Director and the Banking Commissioner for non-objection or comment. Within thirty (30) days from receipt of non-objection or any comments from the Area Director and the Banking Commissioner, and after incorporation and adoption of all comments, the Board shall approve the Strategic Plan, which approval shall be recorded in the minutes of the Board meeting. Thereafter, the Bank shall implement and fully comply with the Strategic Plan.

(d) The Strategic Plan required by this ORDER shall be revised thirty (30) days prior to the end of each calendar year. The Board shall approve the revised Strategic Plan, which approval shall be recorded in the minutes of the Board meeting. Thereafter, the Bank shall implement and fully comply with the revised Strategic Plan.

PROFIT AND BUDGET PLAN

6. (a) Within thirty (30) days from the effective date of this ORDER, and within the first thirty (30) days of each calendar year thereafter, the Bank shall formulate and submit for review as described in subparagraph (c) a written profit and budget plan ("Profit Plan") consisting of goals and strategies, consistent with sound banking practices, and taking into account the Bank's other written plans, policies, and other actions required by this ORDER.

(b) The Profit Plan shall include, at a minimum:

(i) a description of the operating assumptions that form the basis for, and adequately support, material projected revenue and expense components;

(ii) specific goals to maintain appropriate provisions to the ALLL;

(iii) realistic and comprehensive budgets for all categories of income and expense;

(iv) an executive compensation plan, addressing any and all salaries, bonuses and other benefits of every kind or nature whatsoever, both current and deferred, whether paid directly or indirectly, which plan incorporates qualitative as well as profitability performance standards for the Bank's senior executive officers;

(v) a budget review process to monitor the revenue and expenses of the Bank whereby actual performance is compared against budgetary projections not less than quarterly; and

(vi) recording the results of the budget review and any actions taken by the Bank as a result of the budget review in the Board minutes.

(c) The Profit Plan shall be submitted to the Area Director and the Banking Commissioner for non-objection or comment. Within thirty (30) days from receipt of non-objection or any comments from the Area Director and the Banking Commissioner, and after incorporation and adoption of all comments, the Board shall approve the Profit Plan, which approval shall be recorded in the minutes of the Board meeting. Thereafter, the Bank shall implement and fully comply with the Profit Plan.

INTEREST RATE RISK

7. (a) Within sixty (60) days from the effective date of this ORDER, the Bank shall develop and submit for review as described in subparagraph (c) an interest rate risk policy and procedures ("IRR Policy") that shall include, at a minimum:

(i) 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;

(ii) a system for identifying and measuring interest rate risk;

(iii) a system for monitoring and reporting risk exposures; and

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

(b) The IRR Policy shall address the exceptions noted in the current Report of Examination, comply with the Federal Financial Institutions Examination Council's ("FFIEC") *Advisory on Interest Rate Risk Management* (dated January 6, 2010) (an attachment to FIL-2-2010, issued January 20, 2010), the FFIEC's *Supervisory Policy Statement on Investment*

*Securities and End-User Derivative Activities (*FIL-45-98, issued April 28, 1998*),* and the *Joint Agency Policy Statement on Interest Rate Risk* (FIL-52-96, issued July 12, 1996).

(c) The IRR Policy shall be submitted to the Area Director and the Banking Commissioner for non-objection or comment. Within thirty (30) days from receipt of non-objection or any comments from the Area Director and the Banking Commissioner, and after incorporation and adoption of all comments, the Board shall approve the IRR Policy, which approval shall be recorded in the minutes of the Board meeting. Thereafter, the Bank shall implement and fully comply with the IRR Policy.

CORRECTION OF UNSAFE OR UNSOUND PRACTICES
AND CONTRAVENTIONS OF POLICY

8. Within thirty (30) days from the effective date of this ORDER, the Bank shall take all steps necessary, consistent with other provisions of this ORDER and safe and sound banking practices, to eliminate or correct and prevent unsafe or unsound banking practices and all contraventions of regulatory policies or guidelines cited in the current Report of Examination.

LIQUIDITY

9 (a) Within thirty (30) days from the effective date of this ORDER, the Bank shall formulate a liquidity and funds management policy to strengthen the Bank's funds management procedures and maintain adequate provisions to meet the Bank's liquidity needs ("Liquidity and Funds Management Policy"). The policy shall be submitted for review as described in subparagraph (c).

(b) The Liquidity and Funds Management Policy shall include, at a minimum, provisions that:

(i) provide a statement of the Bank's long-term and short-term liquidity needs and plans for ensuring that such needs are met;

(ii) provide for a periodic review of the Bank's deposit structure, including the volume and trend of total deposits and the volume and trend of the various types of deposits offered, the maturity distribution of time deposits, rates being paid on each type of deposit, rates being paid by trade area competition, caps on large time deposits, public funds, out-of-area deposits, and any other information needed;

(iii) establish a reasonable range for its net non-core funding ratio as computed in the Uniform Bank Performance Report and shall address the means by which the Bank will seek to reduce its reliance on non-core funding and high cost rate-sensitive deposits;

(iv) identify the source and use of borrowed and/or volatile funds;

(v) establish sufficient back-up lines of credit that would allow the Bank to borrow funds to meet depositor demands if the Bank's other provisions for liquidity proved to be inadequate;

(vi) require 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;

(vii) establish a minimum liquidity ratio and define how the ratio is to be calculated;

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

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

(x) comply with the guidance set forth in *Liquidity Risk Management* (FIL-84-2008, issued August 26, 2008).

(c) The Liquidity and Funds Management Policy shall be submitted to the Area Director and the Banking Commissioner for non-objection or comment. Within thirty (30) days from receipt of non-objection or any comments from the Area Director and the Banking Commissioner, and after incorporation and adoption of all comments, the Board shall approve the Liquidity and Funds Management Policy, which approval shall be recorded in the minutes of the Board meeting. Thereafter, the Bank shall implement and fully comply with the Liquidity and Funds Management Policy.

CLASSIFIED ASSETS

10. The Bank shall eliminate from its books, by charge-off or collection, all assets or portions of assets classified "Loss" by the FDIC or the Department of Banking in the current Report of Examination that have not been previously collected or charged off. Elimination or reduction of such assets with the proceeds of other Bank extensions of credit shall not be considered "collection" for purposes of this paragraph. Thereafter, within thirty (30) days after the receipt of any Report of Examination of the Bank from the FDIC or the Department of Banking, the Bank shall eliminate from its books, by charge-off or collection, all assets or portions of assets classified "Loss" in any Report of Examination that have not been previously collected or charged off.

PROGRESS REPORTS

11. Within thirty (30) days from the end of each calendar quarter following the effective date of this ORDER, the Bank shall furnish to the Area Director and the Banking

Commissioner written progress reports detailing the form, manner, and results of any actions taken to secure compliance with this ORDER. All progress reports and other written responses to this ORDER shall be reviewed by the Board and made a part of the Board minutes.

MISCELLANEOUS

The provisions of this ORDER shall not bar, estop, or otherwise prevent the FDIC, the Department of Banking, or any other federal or state agency or department from taking any action against the Bank, the Bank's current or former institution-affiliated parties, any of their respective directors, officers, employees, and agents, and any successors and assigns thereof.

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.

Issued Pursuant to Delegated Authority.

Dated: May 17, 2010

By:

/s/ Mary A. Barry
Mary A. Barry
Acting Area Director
Division of Supervision and Consumer Protection
Federal Deposit Insurance Corporation