FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

In the Matter of COLORADO EAST BANK & TRUST LAMAR, COLORADO (Insured State Nonmember Bank)	)	CONSENT ORDER FDIC-11-522b

The Federal Deposit Insurance Corporation ("FDIC") is the appropriate Federal banking agency for Colorado East Bank & Trust, Lamar, Colorado ("Bank"), under 12 U.S.C. § 1813(q).

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 December 1, 2011, that is accepted by the FDIC. With the Stipulation, the Bank has consented, without admitting or denying any charges of unsafe or unsound banking practices or violations of law or regulation relating to operating without an effective Compliance Management System and relating to capital protection, earnings, the level of adversely classified assets, credit concentrations, credit risk management procedures, and the level of the Allowance for Loan and Lease Losses ("ALLL"), to the issuance of this CONSENT ORDER ("ORDER") by the FDIC.

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

CAPITAL PLAN AND MAINTENANCE

1. (a) Within 60 days after the effective date of this ORDER, the Bank shall submit a written capital plan ("Capital Plan") to the FDIC Regional Director ("Regional Director") and the Commissioner of the Colorado Division of Banking ("Commissioner") to increase its Tier 1 Capital. The Capital Plan shall require the Bank, after establishing an ALLL, to achieve and maintain its Tier 1 Leverage Capital ratio equal to or greater than 9 percent of the Bank's Average Total Assets; and shall maintain its Total Risk-Based Capital ratio equal to or greater than 13 percent of the Bank's Total Risk Weighted Assets.

(b) After the Regional Director and the Commissioner respond to the Capital Plan, the Bank's Board shall adopt the Capital Plan, including any modifications or amendment requested by the Regional Director and the Commissioner. Thereafter, the Bank shall immediately initiate measures detailed in the Capital Plan, to the extent such measures have not previously been initiated, to effect compliance with the Capital Plan within 90 days after the Regional Director and the Commissioner respond to the Capital Plan.

(c) Such increase in Tier 1 Capital and any increase in 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 5, 2011, by the directors and shareholders of the Bank or by the Bank's holding company; or

(3) Receipt of an income tax refund or the capitalization subsequent to July 5, 2011, 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 and the Commissioner.

(d) 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 Colorado Division of Banking ("Division"), 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 Revised Capital 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 Revised Capital Plan, the Bank's Board shall adopt the Revised Capital Plan, including any modifications or amendments requested by the Regional Director and the Commissioner.

(e) Thereafter, the Bank shall immediately initiate measures detailed in the Revised Capital 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 90 days after the Regional Director and the Commissioner respond to the Revised Capital Plan.

(f) 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 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 and State 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, for review. Any changes requested to be made in the plan or the materials by the FDIC 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.

(g) 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.

(h) The Capital Plan must include a contingency plan ("Contingency Plan") that shall include a plan to sell or merge the Bank in the event that the Bank:

(1) Fails to maintain the minimum capital ratios required by the ORDER;

(2) Fails to submit an acceptable Capital Plan; or

(3) Fails to implement or adhere to a Capital Plan to which no written objection was provided by the Regional Director and the Commissioner.

The Bank shall be required to implement the Contingency Plan only upon written notice from the Regional Director and the Commissioner.

(i) 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.

(j) 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.

DIVIDEND RESTRICTION

2. While this ORDER is in effect, the Bank shall not declare or pay any cash dividend without the prior written consent of the Regional Director and the Commissioner.

GROWTH PLAN

3. While this ORDER is in effect, the Bank shall not increase its total assets by more than 5 percent during any consecutive 12-month period without providing, at least 30 days prior to its implementation, a growth plan to the Regional Director and the Commissioner. Such growth plan, at a minimum, shall include the funding source to support the projected growth, as well as the anticipated use of funds. This growth plan shall not be implemented without the prior

written consent of the Regional Director and the Commissioner. In no event shall the Bank increase its total assets by more than 5 percent annually.

CLASSIFIED ASSETS - CHARGE-OFF AND PLAN FOR REDUCTION

4. (a) Within 30 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 or the Division as a result of its examination of the Bank as of July 5, 2011. Elimination or 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 reduce the remaining assets classified Doubtful and Substandard as of July 5, 2011 ("Classified Asset Plan") to the Regional Director and the Commissioner for review. The Classified Asset Plan shall address each asset so classified with a balance of $1,000,000 or greater. The Classified Asset Plan shall include any classified assets identified subsequent to the July 5, 2011 examination by the Bank internally or by the FDIC or the Division in a subsequent visitation or examination. For each identified asset, the Classified Asset Plan should 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) Time frames for accomplishing the proposed actions.

The plan shall also include, at a minimum:

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

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

In addition, the Bank's plan shall contain a schedule detailing the projected reduction of total classified assets on a quarterly basis. Further, the plan shall contain a provision requiring the submission of monthly progress reports to the Bank's Board and a provision mandating a review by the Bank's Board.

(c) The Bank shall present the plan to the Regional Director and the Commissioner for review. Within 30 days after the Regional Director's and the Commissioner's response, the plan, including any requested modifications or amendments, shall be adopted by the Bank's Board, which approval shall be recorded in the minutes of the meeting of the Bank's Board. The Bank shall then immediately initiate measures detailed in the plan to the extent such measures have not been initiated.

(d) For purposes of the plan, the reduction of adversely classified assets as of July 5, 2011, shall be detailed using quarterly targets expressed as a percentage of the Bank's Tier 1 Capital plus the Bank's ALLL and may be accomplished by:

(1) Charge-off;

(2) Collection;

(3) Sufficient improvement in the quality of adversely classified assets so as to warrant removing any adverse classification, as determined by the FDIC or the Division; or

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

(e) 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 visitation or examination conducted by the FDIC or the Division. The Bank shall also update the Classified Asset Plan as needed to reflect any assets subsequently classified as Doubtful or Substandard by the Bank internally or by the FDIC or the Division.

REDUCTION OF DELINQUENCIES

5. (a) Within 60 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 90 days; and

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

(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 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.

CONCENTRATIONS – PLAN FOR REDUCTION

6. (a) Within 60 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 to reduce the acquisition, development and construction ("ADC") concentration of credit identified in the Report of Examination as of July 5, 2011, to not more than 100 percent of the Bank's total Tier 1 Capital. Such plan shall prohibit any additional advances that would increase the concentration or create new concentrations and shall include, but not be limited to:

(1) Dollar levels to which the Bank shall reduce the ADC concentration; and

(2) Provisions for the submission of monthly written progress reports to the Bank's Board for review and notation in minutes of the meetings of the Bank's Board.

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

(1) Charge-off;

(2) Collect (which term shall include, but not be limited to, foreclosure); or

(3) Increase Tier 1 Capital.

(c) After the Regional Director and the Commissioner have responded to the plan, the Bank’s Board 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.

RESTRICTION ON ADVANCES TO CLASSIFIED BORROWERS

7. (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 Division 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 Division as the result of its examination of the Bank, either in whole or in part, and is uncollected, unless a committee of the

Bank's Board 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 ratified by the Bank's Board and placed in the appropriate loan file and included in the minutes of the applicable Bank's Board meeting.

ALLOWANCE FOR LOAN AND LEASE LOSSES
AND AMENDED CALL REPORTS

8. (a) Within 30 days after the effective date of this ORDER, the Bank shall, to the extent is has not previously done so, make provisions to its ALLL in an amount of at least $3,863,000. The ALLL 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 a reasonable ALLL. Within two weeks after each calendar quarter, the Bank's Board 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 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, 2011, 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 a reasonable 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) Within 30 days after the effective date of this ORDER, the Bank must use Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Numbers 450 and 310 for determining the Bank's ALLL 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's minutes.

STRATEGIC PLAN

9. (a) Within 90 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 strengthening the credit administration function, to include strategies for administering the adversely classified loan portfolio and the Other Real Estate Owned ("OREO") portfolio;

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

(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 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 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 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 meeting. Thereafter, the Bank shall implement the revised plan.

BUDGET AND PROFIT PLAN

10. (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 profit plan and a realistic, comprehensive budget for all categories of income and expense for calendar year 2012. The plan required by this paragraph shall contain formal goals

and strategies, be consistent with sound banking practices, reduce discretionary expenses, improve the Bank's overall earnings and net interest income, and shall contain a description of the operating assumptions that form the basis for major projected income and expense components.

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

(1) An analysis of the Bank's pricing structure; and

(2) An analysis of the Bank's cost of funds.

(c) Within 30 days after the end of each calendar quarter following completion of the profit plan and budget required by this paragraph, the Bank's Board shall evaluate the Bank's actual performance in relation to the written profit plan and budget, record the results of the evaluation, and note any actions taken by the Bank in the minutes of the Bank's Board meeting when such evaluation is undertaken.

(d) A written profit plan and budget shall be prepared for each calendar year for which this ORDER is in effect and shall be submitted to the Regional Director and the Commissioner for review and comment within 30 days after the end of each year. Within 30 days after receipt of all such comments from the Regional Director and the Commissioner and after adoption of any recommended changes, the Bank shall approve the written profit plan and budget, which approval shall be recorded in the minutes of a Board meeting. Thereafter, the Bank shall implement and follow the plan.

LOAN POLICY

11. (a) Within 60 days after the effective date of this ORDER, and annually thereafter, the Bank's Board shall review the Bank's loan policy and procedures for effectiveness

and, based upon this review, shall make all necessary revisions to the policy in order to strengthen the Bank's lending procedures and abate additional loan deterioration. The revised written loan policy shall be submitted to the Regional Director and the Commissioner for review and comment upon its completion.

(b) The initial revisions to the Bank's loan policy required by this paragraph, at a minimum, shall include provisions:

(1) Establishing review and monitoring procedures to ensure that all lending personnel are adhering to established lending procedures and that the directorate is receiving timely and fully documented reports on loan activity, including any deviations from established policy;

(2) Prohibiting the practice of credit renewals or extensions without full collection of interest due on loans except agricultural loans; on agricultural loans, any extension must not exceed 90 days from the date of maturity and all funds collected on such loans during such 90-day period must be applied first to interest due;

(3) Establishing guidelines for placing loans on nonaccrual which conforms to the definition contained within the FFIEC Reports of Condition and Income Instructions;

(4) Requiring that all extensions of credit originated or renewed by the Bank, which are secured by real estate, be supported by current collateral valuations as promulgated by Part 323 of the FDIC Rules

and Regulations and the Interagency Appraisal and Evaluation Guidelines;

(5) Requiring that foreclosed real estate be booked at fair value less costs to sell at time of foreclosure;

(6) Requiring that impairment analysis for collateral dependent loans, as required by ASC 310, reflect the fair value of the collateral less costs to sell;

(7) Establishing a dollar threshold for requiring audited financial statement from the Bank's borrowers;

(8) Requiring a written plan to lessen the risk position in each line of credit identified as a problem credit on the Bank's internal loan watch list;

(9) Requiring accurate reporting of past due loans to the Bank's Board on at least a monthly basis;

(10) Establishing guidelines for timely recognition of loss through charge-off; and

(11) Establishing portfolio-level stress testing of commercial real estate concentrations to quantify the impact of changing economic conditions on asset quality, earnings, and capital as promulgated by Financial Institution Letter 104-2006 entitled *Commercial Real Estate Lending Joint Guidance* issued on December 12, 2006.

(c) The Bank shall submit the foregoing policies to the Regional Director and the Commissioner for comment. After the Regional Director and the Commissioner have responded to the policies, the Bank's Board shall adopt the policies as amended or modified by the Regional Director and the Commissioner. The policies will be implemented immediately to the extent that they are not already in effect at the Bank.

LOAN COMMITTEE AND LOAN REVIEW REQUIREMENTS

12. (a) Within 30 days after the effective date of this ORDER, the Bank's Board 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 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

(b) At least fifty percent (50%) of the members of the loan review committee shall be directors not employed in any capacity by the Bank other than as a director.

COMPLIANCE MANAGEMENT SYSTEM

13. (a) Within 90 days after the effective date of this ORDER, the Bank shall develop and implement a Compliance Management System commensurate with the level of complexity of the Bank's operations. The Compliance Management System shall:

(1) Include oversight by the Bank's Board and senior management that includes the following actions:

a. Ensures adherence with recommendations for corrective actions contained in the FDIC's Compliance Examination dated February 7, 2011;

b. Ensures the Bank operates with an adequate Compliance Management System as described in the Federal Deposit Insurance Corporation's Compliance Examination Manual; and

c. Ensures that the Compliance Officer receives ongoing training, sufficient time, and adequate resources to effectively oversee, coordinate, and implement the Bank's Compliance Management System.

(2) Include the development and implementation of a compliance program that the Bank's Board annually reviews and approves, with the Board's approval reflected in the minutes of the Bank's Board. The Compliance Program shall include written policies and procedures that shall:

a. Provide Bank personnel with all compliance related information needed to perform a business transaction in accordance with applicable law; and

b. Reflect changes, based on periodic updates, in the Bank's business and regulatory environment.

(3) Include the implementation and maintenance of a training program related to consumer laws and regulations for all Bank personnel,

including senior management and the Bank's Board, commensurate with their individual job functions and duties. The Compliance Officer shall be responsible for the administration of this program, and shall provide training to officers and employees on a continuing basis.

(4) Include compliance monitoring procedures that have been incorporated into the normal activities of every department. At a minimum, monitoring procedures should include ongoing reviews of:

a. Applicable departments and branches;

b. Disclosures and calculations for various loan and deposit products;

c. Document filing and retention procedures;

d. Marketing literature and advertising; and

e. Internal compliance communication system that provides to Bank personnel appropriate updates resulting from revisions to consumer laws and regulations.

(5) Require an annual independent, comprehensive, and written audit (as described in the FDIC's compliance examination manual) covering applicable consumer laws and regulations. The Bank's Board shall document its efforts, including the review of and corrective measures made pursuant to the audit's findings, in the minutes of the Bank's Board. The audit shall:

a. Provide for sufficient transactional testing, as appropriate, for all areas of significant compliance risk, including those areas identified in the FDIC's Compliance Examination Report dated February 7, 2011 ("Report"); and

b. Identify the causes that resulted in the violations of law and regulations or exceptions noted in the Audit Report with sufficient information to provide management direction in formulating corrective action.

CORRECTION OF VIOLATIONS

14. (a) Within 60 days after the effective date of this ORDER, the Bank shall eliminate and/or correct all violations of law and regulation noted in the Report of Examination.

(b) Within 60 days after the effective date of this ORDER, the Bank shall implement procedures to ensure future compliance with all applicable laws and regulations.

MANAGEMENT

15. (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 improving the Bank's asset quality, capital adequacy, earnings, management effectiveness, liquidity, and its sensitivity to market risk.

MANAGEMENT – BOARD SUPERVISION

16. Within 30 days after the effective date of this ORDER, the Bank's 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, non-accrued, and recovered loans; investment activities; operating policies; and individual committee actions. The Bank's Board minutes shall document the Board's reviews and approvals, including the names of any dissenting directors.

MANAGEMENT – SPECIFIC FUNCTIONS

17. Within 30 days after the effective date of this ORDER, the Bank shall establish a Special Asset Group ("SAG"), as discussed in the Report of Examination dated July 5, 2011, to handle the increasing level of adversely classified assets.

BUSINESS PLAN

18. While this ORDER is in effect, the Bank shall not enter into any new line of business without the prior written consent of the Regional Director and Commissioner.

SHAREHOLDER NOTIFICATION

19. 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, 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

20. 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 has released the Bank in writing from making additional reports.

The provisions of this ORDER shall not bar, stop, or otherwise prevent the FDIC 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 Division.

Issued pursuant to delegated authority this 1st day of December 2011.

/s/
Kristie K. Elmquist
Regional Director
Dallas Region
Federal Deposit Insurance Corporation