

FEDERAL DEPOSIT INSURANCE CORPORATION

In Re: AMG National Trust Bank
Boulder, Boulder County, Colorado
Application for Federal Deposit Insurance
(Deposit Insurance Fund)

ORDER

The undersigned, acting on behalf of the Board of Directors pursuant to delegated authority, has fully considered all available facts and information relevant to the factors of Section 6 of the Federal Deposit Insurance Act relating to the application for Federal deposit insurance for AMG National Trust Bank (Bank), an operating uninsured national trust bank located at 1155 Canyon Boulevard, Suite 310, Boulder, Boulder County, Colorado, and has concluded that the application should be approved.

Accordingly, it is hereby **ORDERED**, for the reasons set forth in the attached Statement, that the application submitted by the Bank for Federal deposit insurance be and the same hereby is approved subject to the following conditions:

1. That beginning capital funds of not less than \$10,850,000 be provided, of which not less than \$1,000,000 shall be allocated to common capital, not less than \$5,500,000 to surplus, and not less than \$5,300,000 to retained earnings, less deferred tax assets and ineligible intangible items.
2. The Tier 1 capital to assets leverage ratio (as defined in the appropriate capital regulation and guidance of the institution's primary federal regulator) will be maintained at not less than eight percent throughout the first three years of operation and that an adequate allowance for loan and lease losses will be provided.
3. Any changes in proposed management or proposed ownership to the extent of 10 percent or more of stock, including new acquisitions of or subscriptions to 10 percent or more of stock shall be approved by the FDIC prior to the opening of the depository institution for business.
4. The applicant will adopt an accrual accounting system for maintaining the books of the depository institution.
5. Deposit insurance will not become effective until the applicant has been granted a charter as a depository institution, has authority to conduct a depository institution business, and its establishment and operation as a depository institution have been fully approved by the appropriate state and/or federal supervisory authority.
6. The bank will obtain an audit of its financial statements by an independent public accountant annually for at least the first three years after deposit insurance is effective and submit to the appropriate FDIC office (i) a copy of the audited annual financial statements and the independent public auditor's report thereon within 90 days after the end of the depository

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STATEMENT

Pursuant to the provisions of Section 5 of the Federal Deposit Insurance Act (12 U.S.C. §1815), an application for Federal deposit insurance has been filed on behalf of AMG National Trust Bank (Bank), an operating uninsured national trust bank located at 1155 Canyon Boulevard, Suite 310, Boulder, Boulder County, Colorado.

AMG National Trust Bank will offer trust and wealth management services, as well as traditional retail and commercial banking services, in its designated trade area of metropolitan Boulder County, Colorado. AMG will also provide cash management and bill paying services, and will offer investment products managed by Asset Management Group Investment Corporation, and affiliated entity. While commercial bank business, including direct loan and deposit activities, will only be conducted at the headquarters location in Colorado, AMG National Trust Bank will continue to operate in Englewood, Colorado; Chicago, Illinois; Parsippany, New Jersey; and Norfolk, Virginia. AMG is a wholly owned subsidiary of AMG National Corp, Englewood, Colorado (National Corp), which will submit an application to the Federal Reserve Board to organize as either a bank or financial holding company.

For the purposes of this proposal, capital and management are considered satisfactory, projections for future earnings prospects are favorable, and the investment in fixed assets is reasonable. Corporate powers to be exercised are consistent with the purpose of the Federal Deposit Insurance Act. No undue risk to the insurance fund is apparent.

Accordingly, based upon careful evaluation of all available facts and information, the Board of Directors of the Federal Deposit Insurance Corporation has concluded that approval of the application is warranted, subject to certain prudential conditions:

**BOARD OF DIRECTORS
FEDERAL DEPOSIT INSURANCE CORPORATION**