

UNITED STATES OF AMERICA
BEFORE THE
BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, D.C.

Written Agreement by and between

AMERI-NATIONAL CORPORATION
Overland Park, Kansas

and

FEDERAL RESERVE BANK OF
KANSAS CITY
Kansas City, Missouri

Docket No. 10- 054-WA/RB-HC

WHEREAS, Ameri-National Corporation, Overland Park , Kansas (“Ameri”), a registered bank holding company, owns and controls National Bank of Kansas City, Overland Park, Kansas, and Heritage Bank, National Association, Phoenix, Arizona (collectively the “Banks”), each a national bank, and a nonbank subsidiary;

WHEREAS, it is the common goal of Ameri and the Federal Reserve Bank of Kansas City (the “Reserve Bank”) to maintain the financial soundness of Ameri so that Ameri may serve as a source of strength to the Banks;

WHEREAS, Ameri and the Reserve Bank have mutually agreed to enter into this Written Agreement (the “Agreement”); and

WHEREAS, on April 14, 2010, the board of directors of Ameri, at a duly constituted meeting, adopted a resolution authorizing and directing James E. C. Tinsman

to enter into this Agreement on behalf of Ameri, and consenting to compliance with each and every provision of this Agreement by Ameri and its institution-affiliated parties, as defined in sections 3(u) and 8(b)(3) of the Federal Deposit Insurance Act, as amended (the “FDI Act”) (12 U.S.C. §§ 1813(u) and 1818(b)(3)).

NOW, THEREFORE, Ameri and the Reserve Bank agree as follows:

Source of Strength

1. The board of directors of Ameri shall take appropriate steps to fully utilize Ameri’s financial and managerial resources, pursuant to section 225.4(a) of Regulation Y of the Board of Governors of the Federal Reserve System (the “Board of Governors”) (12 C.F.R. § 225.4(a)), to ensure that National Bank of Kansas City complies with the Formal Agreement entered into with the Office of the Comptroller of the Currency (the “OCC”) on May 20, 2008, and that Heritage Bank, National Association complies with the Formal Agreement entered into with the OCC on September 29, 2008, and any other supervisory action taken by the Banks’ federal regulators.

Dividends and Distributions

2. (a) Ameri shall not declare or pay any dividends without the prior written approval of the Reserve Bank and the Director of the Division of Banking Supervision and Regulation (the “Director”) of the Board of Governors.

(b) Ameri shall not directly or indirectly take dividends or any other form of payment representing a reduction in capital from the Banks without the prior written approval of the Reserve Bank.

(c) Ameri and its nonbank subsidiary shall not make any distributions of interest, principal, or other sums on subordinated debentures or trust preferred securities without the prior written approval of the Reserve Bank and the Director.

(d) All requests for prior approval shall be received by the Reserve Bank at least 30 days prior to the proposed dividend declaration date, proposed distribution on subordinated debentures, and required notice of deferral on trust preferred securities. All requests shall contain, at a minimum, current and projected information on Ameri's capital, earnings, and cash flow; the Banks' capital, asset quality, earnings, and allowance for loan and lease losses (the "ALLL"); and identification of the sources of funds for the proposed payment or distribution. For requests to declare or pay dividends, Ameri must also demonstrate that the requested declaration or payment of dividends is consistent with the Board of Governors' Policy Statement on the Payment of Cash Dividends by State Member Banks and Bank Holding Companies, dated November 14, 1985 (Federal Reserve Regulatory Service, 4-877 at page 4-323).

Debt and Stock Redemption

3. (a) Ameri and any nonbank subsidiary shall not, directly or indirectly, incur, increase, or guarantee any debt without the prior written approval of the Reserve Bank. All requests for prior written approval shall contain, but not be limited to, a statement regarding the purpose of the debt, the terms of the debt, and the planned source(s) for debt repayment, and an analysis of the cash flow resources available to meet such debt repayment.

(b) Ameri shall not, directly or indirectly, purchase or redeem any shares of its stock without the prior written approval of the Reserve Bank.

Capital Plan

4. Within 60 days of this Agreement, Ameri shall submit to the Reserve Bank an acceptable written plan to maintain sufficient capital at Ameri on a consolidated basis. The plan shall, at a minimum, address, consider, and include:

(a) The consolidated organization's and the Banks' current and future capital requirements, including compliance with the Capital Adequacy Guidelines for Bank Holding Companies: Risk-Based Measure and Tier 1 Leverage Measure, Appendices A and D of Regulation Y of the Board of Governors (12 C.F.R. Part 225, App. A and D) and the applicable capital adequacy guidelines for the Banks issued by the OCC;

(b) the adequacy of the Banks' capital, taking into account the volume of classified credits, concentrations of credit, ALLL, current and projected asset growth, and projected retained earnings;

(c) the source and timing of additional funds necessary to fulfill the consolidated organization's and the Banks' future capital requirements;

(d) supervisory requests for additional capital at the Banks or the requirements of any supervisory action imposed on the Banks by the OCC; and

(e) the requirements of section 225.4(a) of Regulation Y of the Board of Governors (12 C.F.R. § 225.4(a)) that Ameri serve as a source of strength to the Banks.

5. Ameri shall notify the Reserve Bank, in writing, no more than 45 days after the end of any quarter in which any of the consolidated organization's capital ratios fall below the approved plan's minimum ratios. Together with the notification, Ameri shall submit an acceptable capital plan that details the steps Ameri will take to increase the consolidated organization's capital ratios to or above the approved plan's minimums.

Cash Flow Projections

6. Within 60 days of this Agreement, Ameri shall submit to the Reserve Bank a written statement of its planned sources and uses of cash for debt service, operating expenses, and other purposes (“Cash Flow Projection”) for 2010. Ameri shall submit to the Reserve Bank a Cash Flow Projection for each calendar year subsequent to 2010 at least one month prior to the beginning of that calendar year.

Compliance with Laws and Regulations

7. (a) In appointing any new director or senior executive officer, or changing the responsibilities of any senior executive officer so that the officer would assume a different senior executive officer position, Ameri shall comply with the notice provisions of section 32 of the FDI Act (12 U.S.C. § 1831i) and Subpart H of Regulation Y of the Board of Governors (12 C.F.R. §§ 225.71 *et seq.*).

(b) Ameri shall comply with the restrictions on indemnification and severance payments of section 18(k) of the FDI Act (12 U.S.C. § 1828(k)) and Part 359 of the Federal Deposit Insurance Corporation’s regulations (12 C.F.R. Part 359).

Progress Reports

8. Within 45 days after the end of each calendar quarter following the date of this Agreement, the board of directors shall submit to the Reserve Bank written progress reports detailing the form and manner of all actions taken to secure compliance with the provisions of this Agreement and the results thereof, and a parent company only balance sheet, income statement, and, as applicable, report of changes in stockholders’ equity.

Approval and Implementation of Plan

9. (a) Ameri shall submit a written capital plan that is acceptable to the Reserve Bank within the applicable time period set forth in paragraph 4 of this Agreement.

(b) Within 10 days of approval by the Reserve Bank, Ameri shall adopt the approved capital plan. Upon adoption, Ameri shall promptly implement the approved plan, and thereafter fully comply with it.

(c) During the term of this Agreement, the approved capital plan shall not be amended or rescinded without the prior written approval of the Reserve Bank.

Communications

10. All communications regarding this Agreement shall be sent to:

(a) Ms. Susan E. Zubradt
Vice President
Federal Reserve Bank of Kansas City
1 Memorial Drive
Kansas City, Missouri 64198

(b) Mr. Eric Garretson
Chief Financial Officer
Ameri-National Corporation
10700 Nall Avenue
Overland Park, Kansas 66211

Miscellaneous

11. Notwithstanding any provision of this Agreement, the Reserve Bank may, in its sole discretion, grant written extensions of time to Ameri to comply with any provision of this Agreement.

12. The provisions of this Agreement shall be binding upon Ameri and its institution-affiliated parties, in their capacities as such, and their successors and assigns.

13. Each provision of this Agreement shall remain effective and enforceable until stayed, modified, terminated, or suspended in writing by the Reserve Bank.

14. The provisions of this Agreement shall not bar, estop, or otherwise prevent the Board of Governors, the Reserve Bank, or any other federal or state agency from taking any other action affecting Ameri, the Banks, any nonbank subsidiary of Ameri, or any of their current or former institution-affiliated parties and their successors and assigns.

15. Pursuant to section 50 of the FDI Act (12 U.S.C. § 1831aa), this Agreement is enforceable by the Board of Governors under section 8 of the FDI Act (12 U.S.C. § 1818).

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the 14th day of April, 2010.

AMERI-NATIONAL CORPORATION

FEDERAL RESERVE BANK
OF KANSAS CITY

By: /s/ James E. C. Tinsman
James E. C. Tinsman
Chairman of the Board

By: /s/ Susan E. Zubradt
Susan E. Zubradt
Vice President