

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

Written Agreement by and among

JLL ASSOCIATES G.P. FCH, L.L.C.  
New York, New York

JLL ASSOCIATES FCH, L.P.  
New York, New York

JLL PARTNERS FUND FCH, L.P.  
New York, New York

JLL/FCH HOLDINGS I, L.L.C.  
New York, New York

F C HOLDINGS, INC.  
Webster, Texas

and

FEDERAL RESERVE BANK OF DALLAS  
Dallas, Texas

Docket No. 11-041-WA/RB-HC

WHEREAS, JLL Associates G.P. FCH, L.L.C., New York, New York (“JLL”) is a registered bank holding company that controls JLL Associates FCH, L.P., New York, New York (“JLLA”), a registered bank holding company that controls JLL Partners Fund FCH, L.P., New York, New York (“JLLP”), a registered bank holding company that owns and controls JLL/FCH Holdings I, L.L.C., New York, New York (“JLL/FCH”), a registered bank holding company that owns and controls F C Holdings, Inc., Webster, Texas (“FCH”), a registered bank holding company that owns and controls First Community Bank, N.A., Sugar Land, Texas (“Bank”), a national bank, and one nonbank subsidiary;

WHEREAS, it is the common goal of JLL, JLLA, JLLP, JLL/FCH, and FCH (collectively, “JLL Holdings”) and the Federal Reserve Bank of Dallas (the “Reserve Bank”) to maintain the financial soundness of JLL Holdings so that JLL Holdings may serve as a source of strength to the Bank;

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

WHEREAS, on June 21, 2011, the managing members of JLL, JLLA, JLLP and JLL/FCH, and the board of directors of FCH, at duly constituted meetings, adopted resolutions authorizing and directing Douglas J. Harker to enter into this Agreement on behalf of JLL Holdings, and consenting to compliance with each and every provision of this Agreement by JLL Holdings and their 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, JLL Holdings and the Reserve Bank agree as follows:

**Source of Strength**

1. The managing members of JLL, JLLA, JLLP, and JLL/FCH, and the board of directors of FCH shall take appropriate steps to fully utilize JLL Holdings’ financial and managerial resources, pursuant to 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 the Bank complies with the Consent Order issued by the Office of the Comptroller of the Currency on November 19, 2009, and any other supervisory action taken by the Bank’s federal regulator.

## **Dividends, Distributions, and Other Payments**

2. (a) FCH shall not declare or pay any dividends, and JLL, JLLA, JLLP, and JLL/FCH shall not make any distributions to partners or members 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) JLL Holdings shall not, directly or indirectly, take dividends or any other form of payment representing a reduction in capital from the Bank without the prior written approval of the Reserve Bank.

(c) FCH shall not make any payments to JLL, JLLA, JLLP or JLL/FCH without the approval of the Reserve Bank.

(d) All requests for prior approval shall be received by the Reserve Bank at least 30 days prior to the proposed dividend declaration date or other proposed distribution or payment. All requests shall contain, at a minimum, current and projected information, as applicable, on JLL’s, JLLA’s, JLLP’s, JLL/FCH’s, or FCH’s capital, earnings, and cash flow; the Bank’s capital, asset quality, earnings, and allowance for loan and lease losses; and identification of the sources of funds for the proposed payment or distribution. JLL, JLLA, JLLP, JLL/FCH and FCH, as applicable, must also demonstrate that the requested dividend or distribution, as applicable, 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) JLL Holdings 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) FCH 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, JLL Holdings shall submit to the Reserve Bank an acceptable written plan to maintain sufficient capital at JLL Holdings on a consolidated basis. The plan shall, at a minimum, address, consider, and include:

(a) FCH's and the Bank's 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 Bank issued by the Bank's federal regulator;

(b) the adequacy of the Bank's capital, taking into account the volume of classified credits, concentrations of credit, allowance for loan and lease losses, 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 Bank's future capital requirements;

(d) supervisory requests for additional capital at the Bank or the requirements of any supervisory action imposed on the Bank by its federal regulator; and

(e) the requirements of section 225.4(a) of Regulation Y of the Board of Governors that JLL Holdings serve as a source of strength to the Bank.

5. JLL Holdings shall notify the Reserve Bank, in writing, no more than 30 days after the end of any quarter in which any of FCH's capital ratios fall below the approved plan's minimum ratios. Together with the notification, JLL Holdings shall submit an acceptable written plan that details the steps that JLL Holdings will take to increase FCH's capital ratios to or above the approved plan's minimums.

### **Cash Flow Projections**

6. Within 60 days of this Agreement, JLL Holdings shall submit to the Reserve Bank a written statement of JLL Holdings' planned sources and uses of cash for debt service, operating expenses, and other purposes ("Cash Flow Projection") for the remainder of 2011. JLL Holdings shall submit to the Reserve Bank a Cash Flow Projection for each calendar year subsequent to 2011 at least one month prior to the beginning of that calendar year.

### **Compliance with Laws and Regulations**

7. (a) In appointing any new director for FCH or senior executive officer for JLL Holdings, or changing the responsibilities of any senior executive officer so that the officer would assume a different senior executive officer position, JLL Holdings 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) JLL Holdings 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 30 days after the end of each calendar quarter following the date of this Agreement, JLL Holdings 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 parent company only balance sheets, income statements, and, as applicable, reports of changes in stockholders' equity.

### **Approval and Implementation of Plan**

9. (a) JLL Holdings shall submit written plans that are acceptable to the Reserve Bank within the applicable time periods set forth in paragraphs 4 and 5 of this Agreement.

(b) Within 10 days of approval by the Reserve Bank, JLL Holdings shall adopt the approved plans. Upon adoption, JLL Holdings shall promptly implement the approved plans, and thereafter fully comply with them.

(c) During the term of this Agreement, the approved plans 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. Earl Anderson  
Vice President  
Federal Reserve Bank of Dallas  
2200 N. Pearl Street  
Dallas, Texas 75201
  
- (b) Mr. Doug Harker  
President and CEO  
F C Holdings, Inc.  
JLL Associates G.P FCH, L.L.C.  
201 Flint Ridge Drive  
Suite 201  
Webster, Texas 77598

## **Miscellaneous**

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

12. The provisions of this Agreement shall be binding upon JLL, JLLA, JLLP, JLL/FCH, and FCH and their 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 JLL, JLLA, JLLP, JLL/FCH, FCH, the Bank, the nonbank subsidiary of FCH, 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 21<sup>st</sup> day of June, 2011.

JLL ASSOCIATES G.P. FCH, L.L.C.

By: /s/ Douglas Harker

JLL ASSOCIATES FCH, L.P.

By: /s/ Douglas Harker

JLL PARTNERS FUND FCH, L.P.

By: /s/ Douglas Harker

JLL/FCH HOLDINGS I, L.L.C.

By: /s/ Douglas Harker

F C HOLDINGS, INC.

By: /s/ Douglas Harker

FEDERAL RESERVE BANK OF  
DALLAS

By: /s/ Earl Anderson  
Earl Anderson  
Vice President